

Also, a bill (H. R. 2504) for the relief of Joel Townsend; to the Committee on Military Affairs.

Also, a bill (H. R. 2505) for the relief of William Parish; to the Committee on Military Affairs.

Also, a bill (H. R. 2506) granting a pension to Mary H. DeWaine; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2507) granting a pension to John Gillis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2508) granting a pension to Adalida Austin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2509) granting an increase of pension to Urania King; to the Committee on Pensions.

By Mr. STRONG of Kansas: A bill (H. R. 2510) granting an increase of pension to Mary A. McCartney; to the Committee on Invalid Pensions.

By Mr. THOMPSON: A bill (H. R. 2511) granting an increase of pension to Isabella D. Carder; to the Committee on Invalid Pensions.

By Mr. VESTAL: A bill (H. R. 2512) granting a pension to Maggie C. Bloom; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2513) granting an increase of pension to Anah R. Klugh; to the Committee on Invalid Pensions.

By Mr. ZILMAN: A bill (H. R. 2514) granting a pension to Ella Halfin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2515) granting a pension to Tebby May Price; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2516) granting an increase of pension to Fanny A. McKenzie; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2517) granting an increase of pension to Margaret Ort; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2518) granting an increase of pension to Anna E. Orris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2519) granting an increase of pension to Henrietta Traver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2520) granting an increase of pension to Sarah A. McKenzie; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2521) granting an increase of pension to Mary A. Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2522) granting a pension to Harriet E. A. Howell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2523) granting a pension to Josephine Welmer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2524) granting a pension to Edith M. Haller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2525) for the relief of Jennie Bruce Gallahan; to the Committee on the District of Columbia.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

282. Petition of the International Brotherhood of Electrical Workers, Local Union No. 151, memorializing Congress of the United States for a reduction of 50 per cent in the Federal tax on earned incomes; to the Committee on Ways and Means.

283. By Mr. BAIRD: Memorial of S. A. Murphy, chairman of farmer's committee of North Milton Township, Wood County, Ohio, requesting equal protection for farm products as that enjoyed by manufactured articles, and submitting a list of proposed tariff increases; to the Committee on Ways and Means.

284. Also, Memorial of Gen. George A. Garretson Camp, No. 4, United Spanish War Veterans, Cleveland, Ohio, favoring extension of the age limits under civil service for former members of the Military and Naval Establishments; to the Committee on the Civil Service.

285. Also, memorial of Daughters of Union Veterans of the Civil War, 1861-1865, urging pension legislation for Civil War veterans and their widows at the extra session of the Seventy-first Congress; to the Committee on Invalid Pensions.

286. By Mr. BLOOM: Petition of the Foreign Service Camp, No. 87, United Spanish War Veterans, Department of New York, approving the passage of the Knutson bill (H. R. 14676); to the Committee on Pensions.

287. Also, petition of the Chamber of Commerce of the City of Hudson, N. Y., requesting a reasonable tariff on imported brick, not less than the difference between the foreign and American labor costs, to the end that an important State and local industry may prosper and contribute to the welfare of our State and community; to the Committee on Ways and Means.

288. By Mr. CRAIL: Petition of Los Angeles County Council, Department of California, United Spanish War Veterans, urging passage of legislation to place immigration from Mexico into the United States on a strict quota basis, the same as European nations; to the Committee on Immigration and Naturalization.

289. By Mr. DALLINGER: Petition of certain citizens of Massachusetts, urging the repeal of the national-origins pro-

vision of the immigration act of 1924; to the Committee on Immigration and Naturalization.

290. By Mr. FITZGERALD: Petition of Mabel A. Snow, of Hamilton, Ohio, for drastic investigation by Congress of administration of joint stock land banks by the Federal Farm Loan Board; to the Committee on Banking and Currency.

291. Also, petition of Eugene H. Hughes, of Hamilton, Ohio, for congressional action, investigation, and protection of bondholders of Kansas City Joint Stock Land Bank from losses caused by the negligence of Farm Loan Board; to the Committee on Banking and Currency.

292. Also, petition of Mary E. Wakefield and others, of Harrison, Ohio, for drastic investigation by Congress of administration of joint stock land banks by the Federal Farm Loan Board; to the Committee on Banking and Currency.

293. By Mr. GARBER of Oklahoma: Petition of United States Sugar Association in regard to tariff on Cuban sugar; to the Committee on Ways and Means.

294. Also, petition of the Reno Relief Corps, No. 25, El Reno, Okla., urging enactment of legislation to give to Civil War widows \$50 per month, irrespective of date of marriage; to the Committee on Invalid Pensions.

295. Also, petition of the national legislative committee of the Daughters of Union Veterans of the Civil War, urging enactment of pension legislation for the benefit of Civil War veterans and their widows; to the Committee on Invalid Pensions.

296. Also, petition of Clarence L. Bahr, attorney at law, Washington, D. C., protesting against tariff on lumber; to the Committee on Ways and Means.

297. Also, statement of W. Green, president the American Federation of Labor, in regard to tariff on sugar; to the Committee on Ways and Means.

298. Also, petition of the National Council of State Legislatures, protesting against the joint Federal estate tax; to the Committee on Ways and Means.

299. By Mr. LINDSAY: Petition of Medical Society of the County of Kings, Brooklyn, N. Y., renewing and reiterating its objection to the principles of the maternity act and favoring termination thereof on June 30, 1929; to the Committee on Interstate and Foreign Commerce.

300. By Mr. O'CONNELL of New York: Petition of the Washburn Crosby Co., Buffalo, N. Y., opposing the Garber bill; to the Committee on Ways and Means.

301. By Mr. PEAVER: Petition of the Welfare Club of Superior, Wis., which favors the passage of the Newton maternity bill; to the Committee on Interstate and Foreign Commerce.

302. By Mr. ROBINSON of Iowa: Petition of Fred Paulsen and other sugar-beet producers of Manly, Iowa, regarding sugar-beet industry and need of increased tariff on sugar; to the Committee on Ways and Means.

303. Also, petition from the Franklin County Farm Bureau Board, of Hampton, Franklin County, Iowa, of 21 members, and signed by H. F. Lubkeman, president of the board, and Terry Grice, secretary of the board, urging the protection of the United States sugar industry by adequate tariff, and also urging the raising of tariff on molasses used in manufacturing industrial alcohol, which would be replaced by corn, and on all vegetable oils competing with butter and animal fats; to the Committee on Ways and Means.

304. Petition of the Butchers' Union, Local 115, of San Francisco, memorializing Congress for a reduction of 50 per cent in the Federal tax on earned incomes; to the Committee on Ways and Means.

305. Petition of the Sausage Makers' Union, Local 203, of San Francisco, memorializing Congress for a reduction of 50 per cent in the Federal tax on earned incomes; to the Committee on Ways and Means.

SENATE

THURSDAY, May 2, 1929

(Legislative day of Monday, April 29, 1929)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed the following bill and joint resolution, in which it requested the concurrence of the Senate:

H. R. 2158. An act making an appropriation for defraying the expenses of the United States Marine Band in attending the Confederate Veterans' Reunion to be held at Charlotte, N. C., June 4 to June 7, inclusive, 1929; and

H. J. Res. 61. Joint resolution to amend the appropriation "Organizing the Naval Reserve, 1930."

CALL OF THE ROLL

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Allen	Fletcher	La Follette	Smith
Ashurst	Frazier	McKellar	Smoot
Barkley	George	McMaster	Steak
Bingham	Glass	McNary	Stetwer
Black	Glenn	Moses	Thomas, Idaho
Blaine	Goff	Norbeck	Thomas, Okla.
Blease	Gould	Norris	Townsend
Borah	Greene	Nye	Trammell
Bratton	Harris	Oddie	Tydings
Brookhart	Harrison	Overman	Tyson
Broussard	Hastings	Patterson	Vandenberg
Burton	Hatfield	Pine	Wagner
Capper	Hawes	Pittman	Walcott
Caraway	Hayden	Ransdell	Walsh, Mass.
Connally	Hebert	Reed	Walsh, Mont.
Copeland	Hefflin	Robinson, Ark.	Warren
Couzens	Howell	Robinson, Ind.	Waterman
Cutting	Johnson	Sackett	Watson
Deneen	Jones	Schall	Wheeler
Dill	Kean	Sheppard	
Edge	Keyes	Shortridge	
Fess	King	Simmons	

Mr. SCHALL. My colleague [Mr. SHIPSTEAD] is still ill in the hospital and unable to be present.

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

PERSONAL EXPLANATION—VOTE ON SENATOR HEFLIN'S RESOLUTION

Mr. BINGHAM. Mr. President, on yesterday, when the vote came on the resolution offered by the Senator from Alabama [Mr. HEFLIN], I should have stated that I had a general pair with the junior Senator from Virginia [Mr. GLASS]. That general pair has only existed during the present session of Congress; I have never had a general pair heretofore, and I neglected to make the statement. I should have stated that I had a general pair with the junior Senator from Virginia [Mr. GLASS], but I understood had he been present he would have voted as I intended to vote, and therefore I was permitted to vote and would allow my vote to stand.

Mr. HEFLIN. Mr. President, does the Senator from Connecticut know how the Senator from Virginia would have voted?

Mr. BINGHAM. I have just stated the fact.

Mr. HEFLIN. That he would have voted "nay"?

Mr. BINGHAM. I stated that he would have voted as I intended to vote.

Mr. HEFLIN. And the Senator intended to vote "nay." Let the RECORD so show.

UNITED STATES MARINE BAND AT CONFEDERATE VETERANS' REUNION, CHARLOTTE, N. C.

Mr. OVERMAN. Mr. President, a message has just come from the House, bringing a bill which they have passed identical with a bill that passed the Senate a few days ago, appropriating money to pay the expenses of the United States Marine Band in attending the Confederate Veterans' Reunion to be held at Charlotte, N. C., next month. As indicated at the time by the Senator from Utah [Mr. SMOOT], one Member of the House of Representatives objected to the Senate bill because he maintained that it should have originated in the House and not in the Senate. All the House leaders favored the passage of the Senate bill, but the one Member prevented its passage. An identical bill was then introduced in the House, just as it passed the Senate, and that bill passed the House unanimously. I ask unanimous consent that the House bill be laid before the Senate and put on its passage.

The VICE PRESIDENT. The Chair lays before the Senate a bill from the House of Representatives, which will be read.

The bill (H. R. 2158) making an appropriation for defraying the expenses of the United States Marine Band in attending the Confederate Veterans' Reunion to be held at Charlotte, N. C., June 4 to June 7, inclusive, 1929, was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$7,500, or so much thereof as may be necessary, to become available immediately, for defraying the expenses of the United States Marine Band in attending the Thirty-ninth Annual Reunion of the Confederate Veterans to be held at Charlotte, N. C., June 4 to June 7, inclusive, 1929,

pursuant to the authorization contained in the act of Congress entitled "An act authorizing the attendance of the Marine Band at the Confederate Veterans' reunion to be held at Charlotte, N. C.," approved February 5, 1929.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

By unanimous consent, the bill was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 61) to amend the appropriation "Organizing the Naval Reserve, 1930," was read twice by its title and referred to the Committee on Naval Affairs.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a communication from the Methodist Episcopal Ministers' Meeting of Philadelphia, Pa., indorsing the so-called Robson bill, to create a Federal department of education, which was referred to the Committee on Education and Labor.

Mr. COPELAND presented the petition of Joseph Carey, president of the Anti-National Origins Clause League of Michigan, and other officers of that league, praying for the repeal of the national-origins provision of the existing immigration act, which was referred to the Committee on Immigration.

He also presented petitions numerous signed by sundry citizens of Jamestown and vicinity, in the State of New York, praying for the repeal of the national-origins provision of the existing immigration act, which were referred to the Committee on Immigration.

He also presented petitions numerous signed by sundry citizens of the State of New York, praying for the passage of legislation granting pensions of \$50 per month to veterans of the Spanish-American War, which were referred to the Committee on Pensions.

He also presented a letter from students of the American history class of the Fredonia High School, Fredonia, N. Y., which was referred to the Committee on Rules and ordered to be printed in the RECORD, as follows:

FREDONIA PUBLIC SCHOOLS,
Fredonia, N. Y., April 12, 1929.

Senator ROYAL S. COPELAND,

Washington, D. C.

DEAR SIR: In studying American history our class was both pleased and proud to note the great progress our Government has made, especially in recent years.

However, we have been surprised to find one practice in the Senate which tends to destroy the democracy for which our land is famous; this is "filibustering." We are alarmed to note that by this method a small minority is able to block a popular bill that otherwise might have been passed.

We wish to assure you that you have our support in any action you may be able to take to stop this detrimental practice, and we trust that you will use your valuable influence to at least check it, if not abolish it entirely.

Most sincerely,

THE STUDENTS OF THE AMERICAN HISTORY CLASS
OF FREDONIA HIGH SCHOOL.

Mr. SHORTRIDGE presented a petition of 25 members of Bethel Baptist Church, of San Diego, Calif., praying for the repeal of the national-origins provision of the immigration act, and for the retention of quotas based on 2 per cent of the 1890 census, which was referred to the Committee on Immigration.

He also presented a memorial of 35 citizens of Taft, Calif., remonstrating against the repeal of the national-origins clause of the existing immigration act, which was referred to the Committee on Immigration.

Mr. BINGHAM presented resolutions of Engelbrekt Lodge, No. 8, of Meriden; Vasastjerna Lodge, No. 150, of Brantford; Linné Lodge, No. 14, of Middletown; and Three Crown Lodge, No. 38, of Stamford, all of the Vasa Order of America, in the State of Connecticut, favoring the repeal of the national-origins provision of the existing immigration law, which were referred to the Committee on Immigration.

Mr. WALSH of Massachusetts presented petitions numerous signed by citizens of the State of Massachusetts, praying for the passage of legislation granting pensions of \$50 per month to Spanish-American War veterans, which were referred to the Committee on Pensions.

He also presented petitions and papers in the nature of petitions from members of the Boston Central Labor Union, of Boston; the American Legion, of Winchendon; the Catholic Daugh-

ters of America, of Cambridge; the American Legion, of Waltham; the American Legion, of Peabody; the American Legion, of Dorchester; the Knights and Ladies of St. Senan, of North Cambridge; the Ladies' Auxiliary, Division 6, Ancient Order of Hibernians, of Framingham; Bunker Hill Chapter, Daughters of the American Revolution, of Mattapan; Quincy Veterans' Council, of Quincy; Cecil W. Fogg Post, No. 73, the American Legion, of Hyde Park; Cumann Bhreandain, St. Brendan Society, of Boston; National League of Greek Voters, of Boston; the Swedish Charitable Society, of Boston; the Ancient Order of Hibernians, of Lawrence; First Swedish Evangelical Lutheran Church, of Brockton; St. Paul Swedish Methodist Episcopal Church, of Quincy; Epworth Swedish Methodist Episcopal Church, of Worcester; Swedish Congregational Church, of Fitchburg; Swedish Congregational Church, of Orange; Scandinavian Evangelical Church, of Lynn; Svea, Swedish newspaper, of Worcester; the Boston Jewish-American Weekly, of Boston; Ragnar Lodge, No. 10, Vasa Order of America, of Worcester; and Nornan Lodge, Vasa Order of America, of Lowell, all in the State of Massachusetts, praying for the repeal of the national-origins provision of the existing immigration law, which were referred to the Committee on Immigration.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. COPELAND:

A bill (S. 915) to incorporate the American National Institute (Prix de Paris) at Paris, France; to the Committee on the Library.

A bill (S. 916) for the relief of Jason David Byers; to the Committee on Military Affairs.

By Mr. LA FOLLETTE:

A bill (S. 917) for the relief of Margaret Diederich; to the Committee on Foreign Relations.

By Mr. VANDENBERG:

A bill (S. 918) to provide for a preliminary examination and survey of Grand Haven Harbor, Ottawa County, Mich.; to the Committee on Commerce.

By Mr. JOHNSON:

A bill (S. 919) granting a pension to Jennie Polk; to the Committee on Pensions.

By Mr. BRATTON:

A bill (S. 920) granting a pension to Elizabeth E. Morris (with accompanying papers); to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 921) granting an increase of pension to Rachel Ewing (with accompanying papers); to the Committee on Pensions.

A bill (S. 922) for the relief of John E. Hewitt; to the Committee on Military Affairs.

By Mr. SHORTRIDGE:

A bill (S. 923) granting compensation to A. L. Anderson;

A bill (S. 924) authorizing the payment of war-risk insurance to Laura E. De Armoun;

A bill (S. 925) granting compensation to John Spiropoulos; and

A bill (S. 926) to amend section 300 of the World War Veterans' act, 1924, as amended; to the Committee on Finance.

A bill (S. 927) for the relief of Walter E. Price; to the Committee on Military Affairs.

A bill (S. 928) to create in the Bureau of Labor Statistics of the Department of Labor a division of safety; to the Committee on Education and Labor.

By Mr. THOMAS of Oklahoma:

A bill (S. 929) for the relief of Emma Page (with accompanying papers); to the Committee on Military Affairs.

By Mr. McMASTER:

A bill (S. 930) to pay judgment rendered by the United States Court of Claims to Yankton Sioux Tribe of Indians; to the Committee on Indian Affairs.

A bill (S. 931) to make certain money in the Treasury available for the purchase of land for target ranges or camp sites in the State of South Dakota; to the Committee on Military Affairs.

A bill (S. 932) granting a pension to Frank C. Goings; to the Committee on Pensions.

By Mr. HARRIS:

A bill (S. 933) to deny second-class mailing privileges to newspapers under common ownership; to the Committee on Post Offices and Post Roads.

By Mr. SMOOT:

A joint resolution (S. J. Res. 27) to provide for appropriate military records for persons who, pursuant to orders, reported for military duty but whose induction or commission into the

service was not, through no fault of their own, formally completed on or prior to November 11, 1918, and for other purposes; to the Committee on Military Affairs.

By Mr. CAPPER:

A joint resolution (S. J. Res. 28) providing that it shall be unlawful, unless otherwise provided by Congress or by proclamation of the President, to export arms, munitions, implements, or other articles for use in war to any country violating the provisions of the multilateral treaty for the renunciation of war, and declaring it to be the policy of the United States that the nationals of the United States should not be protected by their Government in giving aid and comfort to a nation which has committed a breach of said treaty; to the Committee on Foreign Relations.

By Mr. BINGHAM:

A joint resolution (S. J. Res. 29) to extend the provisions of sections 19 and 20 of the rivers and harbors act approved March 3, 1899, to the navigable waters of the Virgin Islands (with an accompanying paper); to the Committee on Commerce.

PRINTING ADDITIONAL COPIES OF "INDIAN AFFAIRS: LAWS AND TREATIES, VOLUME 4"

Mr. FRAZIER submitted the following concurrent resolution (S. Con. Res. 11), which was referred to the Committee on Printing:

Resolved by the Senate (the House of Representatives concurring), That there be printed 1,000 additional copies of Senate Document No. 53, Seventieth Congress, first session, entitled "Laws and Treaties Relating to Indian Affairs, Volume 4," 300 copies of which shall be for the use of the Senate, 600 copies for the use of the House of Representatives, 50 copies for the use of the Senate Committee on Indian Affairs, and 50 copies for the House Committee on Indian Affairs.

DETAIL OF NAVAL MEDICAL OFFICER TO SENATE CHAMBER

Mr. COPELAND submitted the following resolution (S. Res. 51), which was ordered to lie on the table:

Resolved, That the Secretary of the Navy is hereby requested to detail a medical officer of the Navy to be in attendance at the Senate Chamber during the sessions of the Senate.

SPEECH OF JAMES LEONARD HIGHSAW, JR.

Mr. McKELLAR. Mr. President, I ask unanimous consent to insert in the RECORD a short but splendid speech on the Constitution by a young friend of mine from my home city of Memphis.

There being no objection, the speech of James Leonard Highsaw, jr., representing the Memphis Technical High School and 287 other high schools, delivered at the sixth national and fourth international oratorical contest held at Harrisburg, Pa., April 27, 1929, was ordered to be printed in the RECORD, as follows:

THE CONSTITUTION: A GUARANTY OF THE LIBERTY OF THE INDIVIDUAL

The guaranty of individual liberty through the Constitution of the United States marks one of the great contributions of America to the science of government. Previous to the establishment of the American Republic, States were regarded as sovereigns and could grant to individuals or classes out of their plenary power certain privileges or exemptions which were called liberties. The liberties which the barons wrung from King John at Runnymede were exemptions from the power of government. Our fathers believed that each individual as a responsible moral being had certain inalienable rights which neither the state nor the people could rightfully take from him. Thus the American Constitution is the bedrock on which the individual citizen may stand, and before all the powers of government demand and enforce his constitutional rights. No American citizen can sum up the debt he owes to the Constitution for having established forever these fundamental rights of man.

The American Constitution makes the citizen absolutely safe and secure in life and property, neither can be taken from him without due process of law. The right to worship God according to the dictates of his own conscience, to speak and write what he pleases so long as he does not trespass upon the rights of others; to be tried by a jury of his peers if accused of violating the law, to assemble with his fellow citizens to petition his government for a redress of grievances and to bear arms to protect himself, his family, and his home is forever established in this American charter of liberty.

This was not always so. We look back with horror and pity to those dark and troubled periods in human history when man had no guaranteed rights. As an unborn forest sleeps unconsciously in an acorn cup, so all the creations and all the potentialities of civilization lay infolded in the guaranty of personal liberty and the supremacy of the law secured to the individual through the Constitution of the United States. This idea of the supremacy of the individual is the one distinguishing characteristic of the American Constitution. The individual within his rights is supreme against courts of law, State and Federal executives, State and Federal legislatures. These rights possessed by

the American citizen by virtue of his dignity as a human soul can not be rightfully taken from him without amending the Constitution or failing to enforce its provisions.

The American citizen is monarch of all he surveys in his home; he can face hostile majorities, prejudiced courts, partisan legislative assemblies, and defy them all when he stands within his rights, guaranteed to him by the Constitution of the United States, the Gibraltar of his liberties. The American Constitution makes it possible for the individual to work out his own salvation. The constant prayer of the American citizen to his Government is that of Diogenes to Alexander, "Keep out of my sunlight." The theory of government announced in this American bill of rights gave a new dignity to mankind. It said to the States: "There is a limit to your power. Thus far and no further may you go, and here shall thy proud waves be stayed."

What a boon to the liberties of mankind is the American Constitution in this modern day when mass psychology is playing such a factor in the affairs of nations and of men. This is the machine age, and there is too little attention paid to the individual. This is true in industry, education, labor, and government. The whole tendency of this age is to destroy the individual, to standardize mankind, and to substitute mass action for individual action. What this Nation is to-day it owes not to the mass but to the clear thinking, heroic action of individuals, whose achievements have been made possible through the Constitution of the United States which constantly has kept the mass from interfering with the inalienable rights of the individual. Mobocracy does not respect the Constitution nor the rights of mankind. It would dictate to every man how he should worship God, what he should think along governmental lines, how he should live. It would even go to the extent of regulating every minute detail in the life of the individual. Mobocracy would have its way in this country were it not for the guaranties of personal liberty made in the Constitution of the United States.

Assault after assault has been made upon this charter of our liberties but to no avail. Through the storm of battle, the mountain peaks of this great charter have loomed above the mist and smoke of conflict and have served as a beacon to all who love liberty and freedom.

No wonder the great Gladstone said of the American Constitution: "It is the grandest document ever struck off at any one time by the hand and brain of man." Gladstone could see in the Constitution of the United States all those individual rights handed down through the centuries from the time of the great Magna Charta. Yes; the guaranties of individual liberty found in the Constitution of the United States had their origin in the great English charter wrung from the unwilling hands of King John at Runnymede. That part of our Constitution which guarantees these individual rights to all our citizens is but the Magna Charta writ large and expanded to meet the wants of a new generation of freemen, fighting the battle of life beneath other skies. "These immortal principles of individual liberty guaranteed to us through the Constitution of the United States," says Judge U. M. Rose, that great American jurist, "are worth all the classics! Yes; the classics that have survived and the classics that have perished. Dear as might be to us the lost books of Livy, whose pictured page is torn just where its highest interest begins, or even some song of Homer, which, now lost in space, shall charm the ear and bewitch the human heart no more, we could not exchange for them a single word of those uncouth but grand old sentences which, having taken the wings of the morning, have incorporated themselves with almost every system of laws in Christendom, and which still ring out in our American Constitution with a sound like that of the trampling of armed men, marching confidently up to battle; words which for ages have stayed the hand of tyranny, and which have extended their protection over the infant sleeping in its cradle, over the lonely, the desolate, the sorrowful, and the oppressed."

FARM RELIEF

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 1) to establish a Federal farm board to aid in the orderly marketing, and in the control and disposition of the surplus, of agricultural commodities in interstate and foreign commerce.

Mr. WAGNER obtained the floor.

Mr. BINGHAM. Mr. President, will the Senator from New York yield to me?

Mr. WAGNER. Certainly.

Mr. BINGHAM. I desire to present for printing in the RECORD a letter from the Dairymen's League Cooperative Association of New York in regard to House bill No. 1, for farm relief.

The VICE PRESIDENT. Without objection, the letter will be printed in the RECORD.

The letter is as follows:

NEW YORK, April 30, 1929.

HON. HIRAM BINGHAM,

Senate Office Building, Washington, D. C.

MY DEAR SENATOR: The board of directors of the Dairymen's League Cooperative Association, together with 50 elected representatives of

farmers, known as subdistrict presidents, representing 40,000 producers in this milk shed, have gone on record as opposing the present bill, known as Haugen bill No. 1.

Their major objections to that bill as written are:

First. That it shifts to cooperative associations all the odium that will result from the failure of stabilization corporation to do anything that will appreciably relieve agriculture.

Second. They believe it is unjust for the Government to shift this burden onto the shoulders of the cooperatives, and they believe such stabilization corporation as formulated under the provision of this bill would be doomed in advance either to insolvency or to a high degree of impotence. If it became insolvent, that fact would be broadcast together with generous statements that farmers could not manage big business even with the assistance of the Government.

Third. If the stabilization corporation operated so as to avoid losses, then such operation would not result in any material raise in price level of farm commodities.

Fourth. They believe that the most that could be done by such stabilization corporation under this bill is to cause fluctuations in prices to be a little less violent, but would give no material relief.

In addition to the above the bill makes no provision for actual assistance to cooperatives already formed to strengthen them to the point where such a bill as this one might become workable. For this reason we agree with the National Cooperative Milk Producers' Federation that cooperatives should disassociate themselves from the operation of this bill unless amendments of a character agreed to by the National Cooperative Milk Producers' Federation can be incorporated in it.

As representing a large group of the dairy industry in this territory, we ask you to give consideration to our position in this matter.

Very truly yours,

FRED H. SEXAUER, President.

Mr. WAGNER. Mr. President, in the presence of all these distinguished Senators who have given long years to the study of farm relief it is with hesitation and even humility that I rise to discuss the agricultural bill now pending. So far most of the debate has been confined to the Senators representing the so-called farm States, among which New York is not ordinarily included. For several reasons, however, I have been persuaded to study and reflect on this problem and to present my views to the Senate.

First of all, I wish to say that I, too, represent a great agricultural State, having a farm population of 800,000 and producing crops valued at \$260,000,000 a year. The farm population alone of New York is greater than the total population of any one of 15 other States, and in the value of its agricultural products it ranks above any one of 32 States.

New York is also interested in this legislation not only as a producer of farm commodities but as the greatest single consumer of such products. Lastly, it is well known that the State which I in part represent is America's most generous taxpayer. The people of that State contribute to the National Treasury 26 cents of every dollar collected.

I cite these facts and figures only to show the extent of our concern, not as the basis of a policy of opposition to farm relief. On the contrary, it is my firm conviction that throughout this country there is sincere realization that relief for the farmer has been too long delayed; that the effective amelioration of his condition would stimulate an improvement in the city as well as on the farm, for after all, a single economy serves them both.

I would not be entirely frank if I did not confess to another reason for entering this discussion. For the past several sessions a number of gentlemen on the Republican side, particularly the so-called spokesmen of the aggrieved farmers, pleaded with us to follow them in favor of a great farm remedy. When this measure became a campaign issue these leaders deserted their army and joined the enemy's camp. They told us that they spoke for the farmer; that they knew what he wanted. The results of the last election no longer justify me in assuming that such is the fact. Innocently enough I believed that with these representatives of the farmers agricultural relief was a nonpartisan and nonpolitical matter. So I regarded it. I have since learned that with farm representatives on the other side of the aisle, with very few and very notable exceptions, politics takes precedence over farm relief. Such leadership I repudiate. Candidly, I have no faith in it. I am amused to see serious men who have reached the eminence of membership in this body glory in the heroic pose of rebellion against the administration so long as the battle is confined to words. In the springtime, when the Senate is in session, they enjoy the cool loneliness of insurgency, but in the cold November evenings you find them "snug as a bug in a rug" by the hearth fire of the administration. The new President has hardly been installed and already I notice the stirrings of the mock rebellion. It is nothing but play acting.

More obstruction is not within my purpose. I realize full well that any plan if it is to become law must of necessity keep within the general design laid down by Mr. Hoover. That design, I might say, is not a plan of action at all. It is a series of prohibitions—a decalogue of don'ts. Be that as it may, I intend to propose an amendment in the nature of a substitute which, for the sake of passage, retains every possible hopeful element of the administration plan but modifies it to the extent of making that plan effective and real.

The debate of the past few days has made clear to me that many share my view that the administration plan of farm relief is an awkward, backhanded, futile, and hopeless political gesture. Strange to say, it has been condemned most caustically by those who last fall thumped their loudest on the Hoover campaign drum.

What is it that makes me think that the administration plan is a harmless and helpless creature? The reasoning is very plain. The meat of the plan is in the stabilization corporation. The chairman of the Agricultural Committee is authority for that. The stabilization corporation is but a glorified cooperative. The whole scheme, therefore, stands or falls with the cooperative marketing associations. But we all know that the cooperative is the weak sister of the farm family. You need not take my word for that; you have yourselves taught me that fact. Thus the eloquent Senator from Arkansas [Mr. CARAWAY] advised us only the other day that—and I quote his words—

The farmers never have gone into the associations—and they will not—and carry the expenses incident and necessary to membership in them.

And the very distinguished senior Senator from Montana [Mr. WALSH] corroborated that by saying:

The weakness of the cooperative association, as we have all understood it, is that producers will not join.

Similar statements were made by the Senator from Nebraska [Mr. HOWELL] and the Senator from Virginia [Mr. GLASS]. We may go a little farther and point out that the particular area of failure for the cooperatives has been that of price stabilization or maintenance. If that is the fact, and all the evidence indicates that it is the fact, then are we not merely going through meaningless motions? A paper machine is created which can not do any work and never will be called upon to do any.

I have tried, Mr. President, to imagine realistically what might happen under this plan, assuming the most auspicious circumstances. I can readily conceive of the board, after its organization, settling down to the routine of dispensing the fund of \$500,000,000 at its disposal. A little is issued for the purpose of teaching the farmers the advantages of cooperative marketing. Some more is loaned as working capital for cooperative associations. Then the stock of the stabilization corporations must be purchased. Warehouses must be built and marketing facilities acquired. The bulk of the fund is expended for the purchase of the surplus in one or more commodities, and the slight remainder is advanced to pay for the losses arising out of the transaction.

Mr. President, I can imagine that fund going out. Try as I may, I am unable to see it coming back. It has been called a "revolving fund." It should more truthfully be called a "dis-solving fund."

That fact would not disturb me at all if the money were accomplishing its purpose. Whether or not that will happen no one knows and no one is charged with the responsibility of making it happen. The board, which is a creature of the Government, does not spend the money. It only lends it. Those who spend it are private individuals and associations in no way responsible to Congress, to the President, or to public opinion. Of course they are answerable to the board. But what remedy has the board except to refuse future loans to a recalcitrant corporation, which will mean its certain collapse with untold injury to the commodity it represented?

If the plan materializes—which I doubt—a series of stabilization corporations will be organized. Surplus-control loans will necessarily have to be made in anticipation of the actual purchases. Three hundred and seventy-five millions are made available. That is not much money for such a purpose, even if all of it were used most effectively. Actually, that fund will be divided and subdivided, each corporation keeping a trading reserve on hand, while one or more commodities may not have funds enough to handle their surpluses.

If this money is to be in any sense treated as a loan and not as a gift, the stabilization corporation must be given considerable leeway in its trading. What guaranty is there that trading in two related commodities will not be conducted at

cross purposes? What restraints are there upon a corporation that would buy too soon or hold on too long?

The board holds the bulk of the stock of the stabilization corporations but it can not vote the shares. Seventy-five per cent of the profits realized from operations must go into a reserve. What incentive is there to make profits? If reserves are established, they are used to pay losses. If there are no reserves, the board pays the losses. What incentive is there to build reserves?

Although taxpayers' funds are used almost exclusively, nevertheless, if there are profits in one commodity the corporation handling it secures at least a portion of them, but the board may be obliged to pay a simultaneous loss on another commodity. Why should they not be mingled and offset?

Should the plan ever become effective—and I doubt it—we are going to see a set of corporations doing as they please and sending the bill to the taxpayer. In my opinion, if the Government is going to foot the bill, then it ought to have a voice in determining how and when and where the money is spent.

Very naturally, I have wondered why, if stabilization is the Government's purpose, it required so complex a machinery and such unlimited quantities of red tape. The bill gives the answer. It is an attempt to dress up the scheme so as to satisfy three political slogans:

First. Producer owned, producer controlled.

Second. No Government in business.

Third. No subsidy.

These three ideals are worshiped in the bill, but it is a sham lip service they are receiving. Superficially, of course, the bill fits perfectly. The stabilization organizations are farmer organizations. The purchasing and selling is done by these corporations so that the Government is not in business. The moneys used in these transactions are advanced as loans so that there is no subsidy. But let us delve a little deeper. The stock of these stabilization corporations will be owned by the Government. The Government will provide all the funds from the wages of the organizers to the purchase and sale of commodities. The Government will run all the risks and pay all the losses. Is that producer owned? Is that Government out of business? Is that no subsidy?

The only effect of the dress up is that the Government parts with control of the money it advances and parts with authority. Instead it permits the division of funds, conflict of authority, diversity of purpose, confusion in control, and utter irresponsibility.

Mr. President, if we are going to pay for stabilization, let us see that we secure effective stabilization, not a mockery. With that object in view, the major change proposed in my amendment is the elimination of all the commodity stabilization corporations and the creation in lieu thereof of one single powerful corporation to engage in all of the surplus control operations that the bill contemplates. Its capital of about \$550,000,000 will be contributed and owned by the Government. Its board of directors will be the members of the farm board. Then we shall find the following things coming true:

First. Instead of wondering whether any stabilization machinery will be built and utilized, we shall know. We shall erect it. We shall start its operation and we shall direct its operations.

Second. Instead of having one commodity protected while another is unprotected because it has not yet succeeded in organizing itself, we shall have all farmers and all commodities start simultaneously and he who needs it will receive assistance.

Third. We need not wonder and worry how the board will control the use of its money by widely scattered corporations. It will be in direct management of its one corporation.

Fourth. We need no longer fear lack of coordination and operation at cross purposes by corporations representing the different commodities. A single board will necessarily pursue a single policy and a single purpose.

Fifth. No idle funds will lie in the treasury reserves of several corporations while one or two commodities are in distress. The total fund will be under a single control.

Sixth. Taxpayers will not be asked for money to rehabilitate one commodity in which operations have been unsuccessful, while another commodity is building reserves which may later go into profits. The total of net operations will serve to insure one against the other.

Seventh. The board, having a long-range restriction program in mind will more successfully coordinate that with the stabilization work of a single corporation than of a dozen.

Eighth. Criticism there may be, but there is no criticism that is valid against this plan which is not equally valid against the administration plan. And there is this difference: Under this amendment, the plan is surely put into operation. Under the bill the safer prophecy is that it will never take effect. The

amendment places responsibility for the success or failure of the stabilization work where it belongs—on the administration. The administration bill permits idle boasting of success if there be any, and the shifting of blame elsewhere in case of failure.

I suppose there will be those who will cry out "Government in business." That is not the issue. Under both plans the Government is in a measure in business. The issue is: The Government being in business, shall it conduct it effectively or shall it have its hands and feet tied with red tape and shall it waste its breath in idle ceremony?

Before presenting my amendment to this body I took the precaution to submit it to the criticism of one of our foremost economists, one who has made a special study of the question of farm relief, Prof. Edwin R. A. Seligman, professor of economics and head of the division of economics at Columbia University. His certificate of approval is in my hand.

There is nothing revolutionary in this proposal. We have become quite familiar with quasi-public corporations of this nature. During the war we had a large number of them. One for spruce, another for wheat, the Emergency Fleet Corporation, and the War Finance Corporation. Such an instrumentality, however, is not necessarily limited to war uses. There are numerous examples of such peace-time corporations. The Port of London Authority and the Port of New York Authority are well known. Five years ago this Congress established such a corporation under the title of the Inland Waterways Corporation. I have its report before me. It shows a net profit for the year 1928 of \$373,707.40. Neither is there anything unusual in buying and selling operations by such a corporation for the purpose of influencing prices. The Federal Reserve Board makes such purchases of securities for that purpose as part of its routine of operation.

The proposed amendment does not include the export debenture. To my mind, the enthusiasm for the debenture is nourished on disappointment with the administration plan. Senators hesitate once again to go back to the farmers empty handed.

The export debenture plan is, after all, no more and no less than this:

First. That by Government fiat we at least temporarily increase the domestic price of exportable agricultural products.

Second. That, in addition, we take a fund of money out of the Treasury and distribute it to the producers of such commodities as the board designates.

Under what circumstances is this scheme to be brought into operation? Here we have a little confusion. According to the committee report—

if, for example, there should be in any year an exceptional surplus of a commodity and if the marketing conditions should be such that the surplus could not be handled adequately under the other provisions, the board would have the authority to invoke the export debenture plan.

When the surplus is exceptional the debentures are issued, according to the report. According to the amendment offered by the Senator from Nebraska [Mr. NORRIS], an exceptional surplus would be the signal to suspend the debenture in whole or in part. There must be misunderstanding somewhere.

The Norris amendment would in no wise improve the debenture proposal. Confessedly, the major purpose of the bill is stabilization, the elimination of excessively sharp fluctuation. Now, let us see how it would work out. If the debenture is in effect at any one time, the domestic price will be above the world price. An exceptional surplus would depress the world price and would, in addition, bring about in this country a cancellation of the bounty in whole or in part, thus creating artificially an even greater drop in the domestic price than in the world price. That is not stabilization.

Without the Norris amendment it is still true that the farmer will be deprived of the benefits of the bounty at the time when he needs it most; for if the board is to carry out the general purposes of the bill, which is to discourage overproduction, then it will be obliged to withdraw its bounty at the very time when, by reason of the very large crop, the price drops. The effect of that would be to substitute a violent slump in place of a gradual decline.

The amendment of the Senator from Nebraska springs from the realization, in which we all share, that a bounty both directly in cash and in increased prices would, of course, stimulate production and bring about an ever-increasing surplus. The danger is even greater than that. Where would the greatest increase in production take place? Why, naturally where it can be accomplished with the least cost and with prospects of the greatest profit. In other words, in the low cost, large scale, highly mechanized farms the greatest amount of increase would

come, and redouble the intensity of the competition from which the farmer who is now in distress is suffering.

The debenture is only available for a limited number of crops; but all farmers, as large consumers of these crops, would contribute toward the bounty. Naturally, it would have a tendency to substitute the benefited crops in place of those not benefited and thus to defeat the purpose of the bounty. There is no evidence in my possession that the farmers desire the debenture. Irrespective of that and irrespective of the hundreds of millions of dollars that it would cost, it would be worthy of consideration if it helped the farmer; but there is nothing to justify the belief that it would have that effect.

These are objections to the debenture idea as a whole. There are also objectionable details. The committee report says the bounty is payable in a form of "currency denominated export debentures." This new currency would be used only in paying import duties. If we are going to pay the farmer a bounty, why print new currency? What is wrong with the old currency? What conceivable advantage does the debenture possess except to compel the farmer to accept a discount on the bounty?

So far, practically the only argument that I have heard in support of the measure is that if the tariff is right so is this. Such reasoning does not appeal to me. Indeed, I fear for that argument. This provision of the bill establishes a common working ground between the excessive-tariff advocate and the farmer, and if it goes into effect we may look forward to an era of tariff logrolling on an even more magnificent scale than any we have witnessed.

In as few words as possible, I desire to summarize what I am trying to accomplish by offering my amendment in the nature of a substitute.

In general, a farm relief bill must embrace at least three objectives.

First. It must provide for the study or solution of a whole series of long-range problems connected with the relationship of the farm industry to the general industrial situation in the United States, such as transportation, tariff, and credit.

Second. It must provide or encourage methods of greater efficiency and less waste in bringing the farm product from the place of its creation to the point of its ultimate consumption.

Third. Since it is commonly agreed that the mere elimination of waste will not confer upon the farmer a benefit in any way comparable to the size of the difficulty under which he is laboring, a method of influencing prices in his favor must be devised.

The proposed amendment expands considerably the functions of the board with respect to the long-range farm problems and includes within its duties such matters as study of the withdrawal of bad lands from cultivation and their reforestation and the creation of model farms. Encouragement to cooperatives is extended along the lines of the Senate bill. The stabilization corporations are rejected and in their place one single quasi-public corporation is established to conduct the surplus-control operations contemplated under the bill.

This plan has this virtue: That it can at once be put into operation without the interminable delay of waiting for voluntary cooperation, and then we shall know within a reasonable time whether stabilization can assist the farmer.

Mr. HEFLIN. Mr. President—

Mr. WAGNER. Mr. President—

The PRESIDING OFFICER (Mr. ALLEN in the chair). Does the Senator from New York yield to the Senator from Alabama?

Mr. WAGNER. I will yield in just a second.

Mr. HEFLIN. I thought the Senator had yielded the floor.

Mr. WAGNER. I will yield in a moment. At the proper time I shall propose an amendment to the pending bill in the nature of a substitute, and I ask that it may now be printed and lie on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McNARY. Mr. President—

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HEFLIN. Mr. President, I was on my feet and addressed the Chair, and the rule is that the Presiding Officer shall recognize the Senator who is on his feet and addresses him first. That is also the customary practice. I had already addressed the Chair, and the Senator from New York said he would yield to me in a moment. I thought by that I would certainly have the floor when he concluded. I have a matter of privilege anyhow, and if it takes that—

Mr. McNARY. Mr. President, I shall not attempt in any way by any practice whatsoever to take the floor away from the Senator if he is entitled to it. I thought the Senator from New York did not yield to the Senator from Alabama.

Mr. HEFLIN. Oh, yes; he yielded. I told the Senator that I would not take this other matter up until he had finished his speech.

The PRESIDING OFFICER. The understanding of the Chair was that the Senator from New York had not yielded to the Senator from Alabama, and the Chair recognized the Senator from Oregon.

Mr. HEFLIN. The Record will show, Mr. President, that the Senator from New York said, "I have not finished, but I will yield to the Senator from Alabama in a moment." Then he yielded the floor, and I was standing here, and I had already addressed the Chair.

Mr. McNARY. Mr. President, I do not want to get into a controversy over the mere occupancy of a space of time on the floor of the Senate. I had hoped we might proceed to-day, during the whole afternoon, with the discussion of the farm relief measure. I am exceedingly anxious that we shall discuss it as fully as we may and arrive at a vote to-morrow or next day on the pending amendment. If we do not get this machinery in operation early it will be too late to render the needed assistance to the farmers for the crop of 1929.

I had arranged, as far as it was humanly possible, for the Senator from South Dakota [Mr. NORBECK] to follow the speech made by the Senator from New York [Mr. WAGNER]. Others were to follow in order, and I shall sincerely regret to have the Senator from Alabama interfere with that program, which is designed to speed up consideration of the farm bill and make it possible early to arrive at a vote which may operate to the benefit of the agricultural industry. But if the Senator from Alabama desires to claim the floor by virtue of getting on his feet before the Senator from New York concluded his remarks, I shall not argue with him about it. I only express very great regret that the Senator from South Dakota was not permitted at this time to go forward in a discussion of this great economic question.

INTERFERENCE WITH THE RIGHT OF FREE SPEECH AND PEACEFUL ASSEMBLY AND ATTEMPTED ASSAULT ON SENATOR HEFLIN

Mr. HEFLIN. Mr. President—

The PRESIDING OFFICER. The Senator from Alabama.

Mr. HEFLIN. I, too, am anxious to have a vote on this farm relief measure, and I am glad to see my friend getting in a hurry now, after we have lost so many days in the past adjourning over a couple of days at a time. We did scarcely anything for the first 10 days, and adjourned over last Friday afternoon until Monday, adjourned day before yesterday, I believe it was, about 4 o'clock, and could have gone ahead a couple of hours then and done a good day's work. But when I want to say something about the most vital question that concerns the whole American people—their own rights and liberties—some Senators get up here and undertake to deceive the farmer and make him think that they are hurrying up something in his behalf and at the same time voting his and his children's liberties away; that is the way these things are accomplished. Little by little and bit by bit the people lose their liberty. It does not come in one fell swoop.

The dangerous usurper gains a little here and a little there. An American right or liberty is lost here and one yonder. That is what happened with the governments that have perished. That is the history of the governments that were betrayed from within. I do not blame those who voted as they voted yesterday for not wanting this question discussed; but they are going to hear about it a number of times, because no surrender to Rome like this one has ever happened before in the history of the Senate, where a large number of Senators voted solemnly and deliberately to declare that it is not the duty of the Senate to be on guard always in support of free speech and peaceful assembly, and that is the sickening and shameful record that you made here on yesterday.

Some of the opposition chided the Republican Senator from Kentucky [Mr. SACKETT] for casting his vote for my resolution. The Senator said:

By that vote I did not indorse all that Senator HEFLIN says on this subject that he has discussed here—that was not the question. I voted that way because I as an American citizen and Senator believe in fair play, free speech, and peaceful assembly.

Senators, that is the statement of a real man; that is the statement of a statesman; that is the statement of a good American.

Contrast that with the Senator from Washington [Mr. JONES], who said at first that he thought he would vote for my resolution. Then he said, when he studied it he was convinced it ought to pass, but afterwards he was "compelled" to vote against it. He says that I brought about that state of mind in him and caused him to vote against it. I think that is true. When I convinced him that the Roman Catholic hierarchy and all the other agencies of the Roman Catholic political machine

were dead against my resolution, it was bound to have an influence on the Senator, and I think that was the influence that "compelled" the Senator to cast his vote on the side of Rome.

Suppose for argument's sake that he cast his vote that way because I had not pleased him with my speech. Then, Mr. President, if that is true, the Senator is temperamentally unfit to be a Member of this body where great questions must be or should be determined on their merits.

The VICE PRESIDENT. The Chair will call the Senator's attention to the rule. He must not refer to another Senator in a way that is unbecoming a Senator. The Senator will proceed in order.

Mr. HEFLIN. I do not think I have done that, Mr. President. I think I have kept within parliamentary bounds.

Mr. President, if a Senator votes a certain way because he does not like another Senator, it looks to me as if he is unfit to be a Member here. I would vote for a measure if it were sound, even if it had been introduced by the worst enemy I had. I would vote for it if I did not speak to the man who introduced it. The Bible tells us that a tree is known by its fruits, and Senators are known by their votes. There is no escape from that.

The Senator can offer lip service about how he regretted the attack of a mob. I do not care for that, and I do not accept it; but when the vote came in the open, before the public, the Senator's real position on this American question was recorded for time as long as the Government lasts, and he voted against the American position on free speech and peaceful assembly when it was shown that they were Catholics who assaulted these two American rights.

You know, when Christ was here, He told men the way to show they were for Him was to confess Him before men; and the way for the Senator from Washington to show how he felt about these American rights and liberties was to vote for my resolution when his name was called. But the Senator himself said that he was "compelled" to vote against it. I want to read his speech of yesterday. He is the man who first held the resolution up. He stopped its passage on the day it was introduced. I know at that time there were some very clever Republicans who wanted the resolution passed without debate, but the Senator from Washington [Mr. JONES] was keen then to raise his objection, to have this resolution go over because there were so many whereases in it to which he objected. Every one of those whereases was sound. All of them announced sound American doctrine. But the Senator said in his speech yesterday:

I want to make this confession, however: There has been influence brought to bear upon me. It has been exerted from day to day for a week or more. That influence has been such that I have been unable to resist it.

I have been reciting here the un-American activities of certain Roman Catholics. I have called attention to instances where Protestant preachers were disturbed by Roman Catholics preaching the Gospel to their own congregations. I told the Senate and the Senator from Washington about their attacking a Baptist Church at Newport, Ky., where a Knight of Columbus threw a brick through the window, excited and frightened the congregation, and broke up the meeting. I cited an instance where they shot a rifle ball through the church of a Presbyterian preacher in New York, Doctor Fama, who was born in Italy, and where a Protestant minister was stopped by a priest, who would not let him come in the Catholic graveyard at the request of a member of his own church, a Baptist church, a man whose wife, a Catholic, was being buried in the Catholic graveyard. Her husband had asked his pastor, the Protestant preacher, to go and take part in the ceremonies at the grave, and the Roman priest stopped him and led him out of the grounds, and told him that was holy ground, and that he could not come in there and take any part in the service.

These are the things that have moved the Senator from Washington, that have hurt his feelings so much that he said he was "compelled" to vote against my resolution. The resolution said that it was the duty of the Senate to stand firm at all times in support of free speech and peaceful assembly, and because of the things I had said, the Senator from Washington stated that he was "compelled" to vote against the resolution. He said in his speech that he was convinced at one time that it ought to pass, but that my speeches—what I have said here—caused him to change his mind.

I am going to ask the Senator a question. I wonder how he will vote when the bill comes before the Senate to create an educational department, with a secretary of education in the Cabinet? He does not answer. I want to ask the Senator if he is going to vote for my bill, when I introduce it, to prevent the use of any school book in the District of Columbia that

contains language contrary to the American position on separation of church and state. Still he is silent. I do not want to offend the Senator and make him vote against those bills, but his vote will tell the people of Washington how he stands on those questions. I promise to attend to that.

My good friend from Florida [Mr. TRAMMELL] and I were talking this morning, and I was commenting upon the remarkable position of the Senator from Washington. Senator TRAMMELL told me that his father said to him when he first went to the Legislature of Florida, "Never vote for a bill on account of friendship for the man who introduced it, and do not vote against a measure because you do not like its author." That was sound advice.

The great statesman from Washington, the towering genius from the far Pacific slope, rises in the Senate and says that my resolution is sound, that he had been convinced that it ought to pass, but when I disclosed in the Senate the un-American activities and the exceedingly dangerous doings of the Roman Catholics—that is exactly what it means—he was "compelled" to vote against the resolution. He has voted to deny the American mothers of Brockton, Mass., who are rearing their children to be law-abiding citizens of the United States, the right to assemble peacefully and have a public meeting. He has by his vote denied the fathers there the right to peaceful assembly because he did not like the speech that I made against the efforts of Roman Catholics to put the program and purpose of the Roman government above American rights and liberties. The Senator is going to have occasion not to like a good many of my speeches, because this vital question has got to go to the people. Efforts are being made to keep it from the people. If it can be suppressed here, then there is no place left where real Americans can be told of the dangers that threaten their Government.

This morning in my office an American citizen whose parents were born in Italy, a representative of labor, secretary of some organization in New York, for an hour sat and talked with me about Mussolini thugs coming over from Italy to New York; how the American citizens of Italian blood are opposing the un-American activities of foreign organizations. He said, "We are trying to be good Americans, but they are trying to keep us tied to the Government of Italy and tied to the Roman Catholic Church. When we resist and want to be good Americans these thugs who are sent over here attack us and club us. It has been done time and time again." I said, "Now?" He said, "Yes; they are here now."

"A hundred or more of these Roman Fascist leaders from over here are now in Italy in a conference with Mussolini planning to carry on their un-American propaganda in the United States, and the apostolic delegate from this city is there with them, the Pope's representative. They are over there in conference now." Mr. President, they are no doubt preparing to continue to spread fascism over the United States. Who is going to cry out against these things? Any one of that 70 who voted against my resolution yesterday? Oh, no. Not one. My God, if our rights and liberties depended on positive, aggressive action against the Roman machine by any of that group the situation would be one of hopeless despair! Thank God, there is an electorate back in the States and the people who are reading the Record and who are writing to me in advance of the vote to let them know who voted against my resolution and who voted for it are the people who want to know the exact facts, and it is my duty to let them know, and they should know.

Even at the risk of offending the Senator from Washington [Mr. JONES] again—

Mr. JONES. Mr. President—

The PRESIDING OFFICER (Mr. BRATTON in the chair). Does the Senator from Alabama yield to the Senator from Washington?

Mr. HEFLIN. I do.

Mr. JONES. I hope the Senator does not think I have been offended at him in any way, shape, or form, because I want to assure him I have not been.

Mr. HEFLIN. The Senator says he has not been offended. Then what was it that "compelled" him to vote the way Rome wanted him to vote? He was voting just like I told them they were going to vote. That Roman influence is powerful here, but thank God it has no terrors for me. I think those who can be influenced by it and scared by it ought not to be here. That is my honest conviction and I am deeply in earnest about that. We all ought to be measured by a true American yardstick. When a man can not come up like SACKETT did and say, "I voted for it because I believe in free speech and peaceful assembly," then, Mr. President, we are in bad in this body.

To what extent have we degenerated and descended as Senators here when Senators can not vote their honest convictions

because of fear of the Roman Catholic political machine in the United States?

This thing can not be dodged or evaded in America. The recent betrayal of the Italian Government into the hands of Roman Catholics still stares us in the face. The people of the United States must act in time to prevent here what happened in Italy. Protestants have got to walk up and say to these Senators at the ballot box, "We know how you voted. We know what the issue was. It was clear cut between Romanism and Americanism, and you took the side of Rome and voted that way. We have read Senator HEFLIN's speeches. Nobody challenged what he said. We have read his resolution. We do not see how you or any other man claiming to be an American could have voted against the resolution. He said, and we believe it, that it was because of this Roman Catholic influence. We are not going to send you back to the Senate. We are going to send a man up there in your place who is a good American, who is not afraid of the Roman Catholics, who will be just and fair to all, but who will not be controlled in the Senate by the Roman Catholics."

Mr. President, I am tired and the people are tired of this small minority, compact, moving in concert, controlling Senators in this body and in other places without noise or notoriety, who get exactly what they want. When great American issues are up for consideration here and Rome is involved Rome wins, leaving the one hundred and odd millions of Protestants and Jews standing helpless because Senators are here voting against their interests, their rights, and their liberties. If I had cast a vote like that, I would never have gone back to my people and asked reelection.

Now as to the newspaper reports of what took place here yesterday. There are more little crooked squirrel heads up there in the press gallery. [Laughter in the galleries.]

The PRESIDING OFFICER. The Senate will be in order, and this admonition applies likewise to occupants of the galleries.

Mr. HEFLIN. One or two of those little squirrel heads said that yesterday when Senator TYDINGS interrupted me when I was predicting what was going to happen to him when he ran again in Maryland. I said that his former colleague, who took the same kind of stand on this very question, had gone where the woodbine twineth and the whangdoodle mourneth and that after his vote on yesterday that he was on the same road and would not come back. He cursed and said I could not frighten him a "damned bit." A few Roman Catholics sitting in the galleries over here to my left laughed, they enjoyed it, and the paper said there was an outburst of applause and laughter in the galleries. No such thing happened. There is no truth in that statement.

Mr. TYDINGS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Maryland?

Mr. HEFLIN. I do.

Mr. TYDINGS. I ask the Chair to call the Senator from Alabama to order. No Senator may refer to another Senator by his last name.

The PRESIDING OFFICER. The Senator from Alabama will proceed in order.

Mr. HEFLIN. Mr. President, I certainly do not want to offend in that regard. If the Senator does not want his last name called, I have no desire whatever to call it.

Mr. TYDINGS. I want the rules of the Senate obeyed, and, believe me, they will be obeyed.

The PRESIDING OFFICER. The Senator from Maryland will address the Chair.

Mr. HEFLIN. That ought to settle it to all intents and purposes. [Laughter.]

The PRESIDING OFFICER. The Senator from Alabama has the floor.

Mr. HEFLIN. I was speaking about this report not being true. There was not any applause at all in the galleries, as I have said. There was some laughter of approval over there in that little Catholic group, but nowhere else. There were manifestations of approval in all the other parts of the galleries two or three times during my speech, but the newspapers forgot to mention that. I have particularly noted this after I requested that it be done. So far as I have been able to see, not one of the newspapers published the resolution itself. I wanted the people in the various States to read the resolution, but somehow or other, so far as I have seen, not one of them carried the resolution. Why did they not print the resolution and then say, "the vote was as follows"? But they did not do that. Did they give me and the American people interested a fair deal?

There are some very fine boys up in the press gallery and some able and clever writers, but there are a few up there in that

class who are abusing their talents and perverting their intellects from the purpose of their creation. One of them speaks for Ned McLean, who swore to a falsehood in the Fall case. Everybody knows of his infamous conduct on that occasion. He swore that he furnished Fall with the money found on his person, and then, when told by the Senator from Montana [Mr. WALSH] or somebody else that he was about to go to the penitentiary, retracted it and got out of it, admitting his perjury. He ought to have been convicted. And it is his villainous sheet, the Washington Post, in which this little squirrel head Barger had his article this morning misrepresenting what occurred here and saying that I said I would "fix" the Senator from Washington [Mr. JONES]. I never made any such statement, and everybody here knows that I never said anything of the kind. He knows that I did not say it.

But Ned McLean, this fellow who was trying to whitewash Fall, Doheny, and Sinclair and get young Col. Theodore Roosevelt out of the picture—and I have some things to say about him—is seeking to shape public opinion here at the Capitol—Neddie McLean, with his little poorly paid squirrel head Barger misrepresenting Senators.

Mr. President, I may again risk "compelling" the Senator from Washington [Mr. JONES] to vote against my bill when it comes up to prevent the teaching in the District of Columbia by anybody the Catholic doctrine of the union of church and state. No Protestant ought to teach it, no Jew ought to teach it, and no Catholic ought to teach it. Am I since the vote of yesterday still privileged to say that in the United States Senate as an American Senator, nobody has a right to teach the youth of this country that the union of church and state is right, but the Catholics are doing it all over the land and doing it right here in the District of Columbia, and no Senator numbered among the 70 who voted against my resolution yesterday has entered a single protest against it—when I seek to prevent the teaching of this dangerous and un-American doctrine, how are you going to vote then? I do not want to give you too much of a shock, but I am going to have a roll call on that bill. I know you hate to hear that. My God, if there is any one thing that you Senators who make up that group of 70—that pleased the Roman priests and nuns in the gallery so well—hate above another it is another roll call on this subject.

I have here in my hand, and at the risk of "compelling" my friend the excitable and temperamental Senator from Washington [Mr. JONES] to take the other side when I present that bill. I am going to read from a book written by Judge Neill here in Washington. It is entitled "All Things are Possible." The heading of the portion which I am about to read is "Judge Baldwin's Injunction":

STATE OF ILLINOIS, County of Cook:

In the circuit court of Cook County. William H. Dunn v. Chicago Industrial School for Girls, etc.

Opinion deciding case upon evidence and pleadings—Judge Baldwin.

I shall not take the time to read it all, because it covers several pages; but this was a case where the Roman Catholics of Chicago sought to obtain an appropriation of a large sum of money from the city council for a Catholic school, for sectarian purposes, and many taxpayers objected. The case was tried before Judge Baldwin.

IN THE CIRCUIT COURT OF COOK COUNTY

William H. Dunn v. Chicago Industrial School for Girls et al. Gen. No. B-17542

OPINION DECIDING CASE UPON EVIDENCE AND PLEADINGS, JUDGE JESSE A. BALDWIN

This is a bill filed by one William H. Dunn, as a citizen and taxpayer of Cook County, Ill., to restrain Cook County from paying to the Chicago Industrial School for Girls a certain amount of \$4,151.50, claimed to be due from Cook County in favor of said school for its care of certain inmates of the school for the month of December, 1915.

The bill also alleges that the defendant, the Chicago Industrial School for Girls, is a corporation instituted and maintained as an instrumentality of the Roman Catholic Church, and that its main purpose is to effectuate the religious objects and doctrines of said church; that it is governed and controlled by the church and its agents; that its teachers are zealous to promote the objects and purposes of the church; and that the main purpose of the school is to mold and teach its inmates to become members of said church; that the pupils therein are reared and taught according to the creed of the church and are taught religious worship according to its tenets and ceremonies; and that the effect upon the minor children thus inmates of the school, in subjecting them to the influences of said ceremonies and practices, is to teach them to become members of said church; that no other religion or other religious worship is taught, encouraged, or tolerated in said school; and that said school is a school and insti-

tution under church control within the meaning of section 3 of article 8 of the constitution of Illinois, which reads as follows:

"Sec. 3. Neither the general assembly nor any county, city, town, township, school district, or other public corporation shall ever make any appropriation or pay from any public fund whatever anything in aid of any church or sectarian purpose, or to help support or sustain any school, academy, seminary, college, university, or other literary or scientific institution controlled by any church or sectarian denomination whatever; nor shall any grant or donation of land, money, or other personal property ever be made by the State or any such public corporation to any church or for any sectarian purpose."

Judge Baldwin heard the testimony. There was no dispute about it being a Roman Catholic school. Judge Baldwin read the Constitution, which said that no county, district, city, town, or subdivision could appropriate the tax funds, the public money, to any sectarian school whatever, and he issued an injunction to stop it. Judge Neill states in his book that the Roman Catholics went after him for honestly construing the Constitution and deciding the case against them, as any upright judge would have done. He could not have done otherwise. The Roman Catholics went after this man and fought him and defeated him for reelection and he died of a broken heart shortly thereafter.

That is another instance of their un-American and reprehensible political activities that I am going to offend the Senator from Washington with again. Senators, that is not a circumstance. I could speak indefinitely and not get through telling you of the dangerous activities of Roman Catholics all over the country.

Some of the newspaper reports of what took place here yesterday said I "paled" under the vote cast here for Rome. My God, if an American should ever "pale" it would certainly be when he sat in the Senate Chamber of the United States on May 1, 1929, when 70 Members, including the solid Catholic vote, voted solemnly that they did not respect and favor the protection of the American citizen's right of free speech and peaceful assembly! And that they did not condemn—they did not condemn the efforts to destroy free speech and peaceful assembly; neither did they condemn an assault upon a United States Senator. If there is anything that would make an American turn pale—a man who loves his country, who wants to see it preserved for himself, for his posterity, and for the people generally—it looks to me that that shocking and shameful thing would make him turn pale. However, Mr. President, this Washington Post newspaper writer, little Carlisle Barger, further states that—

ROBINSON'S vote on the Republican side was characterized as unparadonable—

Listen to this—

by his Republican colleagues who were trying to stand solidly together on the question.

Think of that Senators. Playing politics; playing politics with the rights and liberties of the American people. Old Nero fiddled while Rome burned, and the Republican leadership, weak and puny and pitiful, coming down to the miserable point of playing politics when the American right of men and women to assemble and have a public meeting, which is given to them under the Constitution of the United States, are denied; playing politics with Roman Catholics when an attempt is made to assassinate a Member of this body and then voting solemnly on the side of Rome as Senators voted yesterday.

The newspaper writer further says that ROBINSON had six years in front of him and there was nothing for him to be afraid of and he should have voted with the other Republicans; that voting as he did would make it harder for WATSON, who is coming up for reelection next year. Well, what will they do to "Jimmie" in Indiana "will be a plenty." [Laughter.]

THE PRESIDING OFFICER. The Senate will be in order, and the galleries likewise will be in order.

Mr. HEFLIN. O Mr. President, the clouds will gather in Indiana for Senator WATSON, the leader on the other side. The lightning will flash and the thunders will roar—the thunders of the righteous indignation of the stalwart patriotic American men and women of Indiana—the old State of Daniel W. Voorhees and Benjamin Harrison. The newspaper writer says that the junior Senator from Indiana, who voted to sustain free speech and peaceful assembly, who voted to condemn an assault upon a Senator, should not have done it, because it will hurt the political game that they are playing for his colleague [Mr. WATSON].

American statesmen! Where, oh, where, have they gone? Will another senatorial body ever again in all the history of the Government sit here in fear of Roman Catholics and

solemnly declare that its Members no longer favor free speech and peaceful assembly and that they do not hear with regret of an attempt to assassinate a Member of this body?

O Mr. President, I wish to make this question so clear that all those who read the *RECORD* will get it thoroughly into their minds so that there will be no escape from understanding the meaning of what really occurred here.

Senators have talked one way and voted another. Senators on the other side of the Chamber and on this side when I stood here and spoke on the Mexican question—fighting by myself—complimented me. The Senator from Idaho [Mr. BORAH] made one speech on that subject; that is his style. He makes a prepared speech and he is gone until some other occasion arises, and then he comes in, puts his two hands out like that [illustrating] now and then, and delivers a speech and is gone again. "On again, off again, away again, Finigan." [Laughter.]

The Senator from Idaho made his speech on the Mexican question but he never touched the real group in the United States that wanted war with Mexico. He never mentioned the occasion at Philadelphia where the Roman Catholic Knights of Columbus passed a resolution denouncing our peace policy toward Mexico and demanding that it be changed forthwith. He never mentioned the Knights of Columbus; he never got within 40 feet of their activities. When I got the floor and discussed it to help him out in preventing war he turned and fled and we never heard from him any more. He left me with the bag to hold, and by myself I fought the battle for seven weeks. I have received thousands of letters from people stating that I did more than anybody else to prevent war with Mexico, and many periodicals and magazines so stated; but the Senator from Idaho was not there.

Some of the Senators, I repeat, on the other side and this side complimented me on my speeches; even the Senator from Idaho was kind enough once or twice to compliment me. I hope I do not divulge any secret in stating that, for I do not want to scare those Senators any worse than they are already scared.

This occasion, however, brought the matter to an issue in the Senate; it had to be settled by a vote. American rights and liberties were at stake, and they were set out in my resolution. The Roman Catholic opposition was here and it stood up in deadly conflict to my resolution. The matter was brought to a head here yesterday; the roll was called; and 70 Senators, Republicans and Democrats, voted on the side of Rome, voted against their country, and voted against American rights and liberties.

Mr. President, I wonder if this is what offended the Senator from Washington [Mr. JONES]. Talk about intolerance and bigotry. Why, the other night there was celebrated here in Washington the twenty-fifth anniversary of the priesthood of Archbishop Curley, of Baltimore. The archbishop ought to have been filled with the milk of human kindness, with a large love for all religious denominations, for all professors of Christianity; but what did he say on that occasion? If a Protestant bishop had said it, he would have been denounced throughout the country as an intolerant, bigoted man, but here is what Archbishop Curley said, according to the same newspaper, the *Washington Post*:

He issued a vigorous pronouncement of Catholicism—

Listen; I am quoting him—

as the only great moral force in the Republic and one that is rendering a finer service to America than that of those who have stepped out of their pulpits into the arena of politics.

Now, what do you think of that? That means that the great Methodist group is of no moral force. There it is. The great army of Baptists, as godly a people as ever lived, not a moral force in America! There is his statement denying that they are. The great Presbyterian Church, the great Christian Church, the great Lutheran Church, the great Christ Church, and all the other groups of Protestants and Jews in the Nation are of no moral force! Here is a statement made in the face of the Congress, in the Capital itself, heralded over the country, that the only great moral force in America is the Roman Catholic Church. I deny it and repudiate the statement.

Well, it is not true, and everybody knows it is not; but that was said here. I hope my reference to that will not offend the Senator from Washington. The other day I made a little reference to it, and I just wondered if that was a part of what I said that "compelled" him to vote against my resolution.

Mr. JONES. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Washington?

Mr. HEFLIN. Certainly.

Mr. JONES. I hope the Senator does not intend to misrepresent me at all.

Mr. HEFLIN. No.

Mr. JONES. I hope, then, he will not refer to me as being offended. I have never been offended at anything the Senator has said or done.

Mr. HEFLIN. Oh, how I do appreciate that. [Laughter.] I assure the Senator that his statement encourages me to go on; but I was just wondering if that was a part of what I said that "compelled" him to vote against constitutional rights and liberties on yesterday. The resolution set forth—and I want the people of the State of Washington to know what it provided—

Whereas the Senate of the United States should stand firm at all times in its support and protection of the American citizen's sacred right of free speech and peaceful assembly—

That is what the Senator from Washington was "compelled" to vote against.

I recall a circumstance when King John, the Catholic King of England, was compelled by the English barons to sign the Magna Charta, the basic foundation of our liberties. When the barons drew that document up and took it to King John and compelled him to sign it, the Catholic Pope absolved him from his oath to execute it and pronounced a curse upon the barons who took the course they had taken in the cause of human rights and human liberty. I do not know what effect that is going to have on the Senator from Washington when he comes to vote on my bill to prevent the Catholics in Washington City from teaching their children, boys and girls of America, that the union of church and state is right and the separation of church and state is wrong.

Mr. President, that is a dangerous doctrine. It is going to the very heart of American rights, interests, and liberties. Teach these youths that separation of church and state is wrong, that the union of church and state is right, and if the time ever comes, as it will come, when there is a clash between the Roman group and the American Protestants and Jews, who will then be determined to put it down, these people having been taught this doctrine from their youth it will not be hard to make them fight for it. There is where the danger is.

You say that I stir up religious prejudice. That is not my purpose. My purpose is to prevent, to stop forever these un-American Roman activities in America. What are they? Interference with free speech, interference with peaceful assembly, interference with a free press, interference with the right to have religious services unmolested for all groups, and, Mr. President, the open, bold declaration by the leaders of that group that they renounce forever the doctrine of the union of church and state. I demand it of the Protestants, I demand it of the Jews, and I demand it of the Catholics. Yet a lot of squirrel heads up there to-day will say that I attacked the Catholic Church. I want them to tell the truth and say that I attacked the Roman political activities in America that strike at liberty in America. That is the difference, and I want that distinction made.

Mr. President, I hold in my hand a petition. I was not allowed to get it in yesterday before the vote. The political machine was oiled and working well over there, under the leadership of the Senator from Indiana and the Senator from Idaho, and a vote was compelled to be had without any speech; but I announced yesterday that I had this petition. Here it is:

We, the undersigned citizens of Massachusetts, do hereby respectfully petition United States Senator from Massachusetts GILLET to support and vote for the passage of the resolution of Hon. J. THOMAS HEFLIN, Senator from Alabama, which calls upon the Senate of the United States of America to condemn and repudiate the reprehensible and criminal conduct of those who sought to assault and do violence to the person of said Hon. J. THOMAS HEFLIN when he spoke in Brockton, Mass., on March 18, 1929.

Mr. President, these petitioners reside in 56 towns in Massachusetts. That is the State in which this awful thing occurred. These people petition their own Senator to vote for my resolution; and you, not living in the State at all, voted against it yesterday, with the Roman Catholic vote solid in this body; and the most interesting thing about this is that they accomplished this thing without saying a word. Not one of them opened his mouth. The Roman influence was so powerful that they sat back in silence and had you execute the Roman will, and you carried it out to the letter.

NATIONAL ORIGINS

Mr. WALSH of Massachusetts. Mr. President, I ask unanimous consent to have printed in the *RECORD* and referred to the Committee on Immigration two telegrams from groups of citizens of Syrian ancestry residing in Massachusetts protesting against what they call the "outrageous insult" to them and their race during the course of the debate on the national-origins provision of the immigration law on Monday,

April 29. I join with the senders of these telegrams in protesting against the remarks reflecting upon the Syrian race.

The VICE PRESIDENT. Without objection, it is so ordered. The telegrams are as follows:

BOSTON, MASS., April 30, 1929.

Hon. DAVID I. WALSH,
Washington, D. C.:

Syrians of Massachusetts protest against attack in the origins debate upon them as the "trash of the Mediterranean," and imputing to them criminal tendencies. Statistics prove that Syrians are law-abiding, patriotic, and, in proportion to their numbers, almost total strangers in the criminal courts. As their Senator, the Syrians of Massachusetts urge you to correct false, biased, and slanderous remarks that show ignorance of history in attributing such tendencies to a race so highly civilized and enlightened even before the Christian era.

ELIAS F. SHAMON,
Attorney at Law, Boston, Mass.

LAWRENCE, MASS., May 1, 1929.

Hon. DAVID I. WALSH,
United States Senator, Washington, D. C.:

The Syrian-American Citizens' Society, after holding a special meeting in regard to the "insult" of the Senator from Pennsylvania about the "trash of the Mediterranean," protest, as law-abiding and conscientious citizens of Lawrence, on behalf of the 5,000 Syrian-Americans residing in Lawrence, Mass., and ask you to enlighten the Senate by acquainting it with the fact that the Syrian-Americans not only from our city but everywhere within the 48 States have given our Nation science, religion, and also the greatest gift to mankind, Christianity; and we believe that the land that gave these does not and never will produce offspring with the criminal tendencies attributed to them. Their social and business activities place them beyond doubt on par with the best in our country. Their men were the first and most numerous volunteers in the World War. In comparison with their number they have always generously contributed to every charitable and worthy cause to the full extent of their means. They do not ask for Americans' wealth, but they ask for their share of the dividend of justice; and, as their Senator, they ask you to see that they get it.

Sincerely yours,

SYRIAN-AMERICAN CITIZENS' SOCIETY,
FARRIS MARAD, President.

FARM RELIEF

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 1) to establish a Federal farm board to aid in the orderly marketing, and in the control and disposition of the surplus, of agricultural commodities in interstate and foreign commerce.

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Allen	Fletcher	La Follette	Smith
Ashurst	Frazier	McKellar	Smoot
Barkley	George	McMaster	Steak
Bingham	Glass	McNary	Steiwer
Black	Glenn	Moses	Thomas, Idaho
Blaine	Goff	Norbeck	Thomas, Okla.
Blease	Gould	Norris	Townsend
Borah	Greene	Nye	Trammell
Bratton	Harris	Oddie	Tydings
Brookhart	Harrison	Overman	Tyson
Broussard	Hastings	Patterson	Vandenberg
Burton	Hatfield	Pine	Wagner
Capper	Hawes	Pittman	Walcott
Caraway	Hayden	Ransdell	Walsh, Mass.
Connally	Hebert	Reed	Walsh, Mont.
Copeland	Heflin	Robinson, Ark.	Warren
Couzens	Howell	Robinson, Ind.	Waterman
Cutting	Johnson	Sackett	Watson
Deneen	Jones	Schall	Wheeler
Dill	Kean	Sheppard	
Edge	Keyes	Shortridge	
Fess	King	Simmons	

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

Mr. NORBECK obtained the floor.

Mr. WALSH of Montana. Mr. President—

The VICE PRESIDENT. Does the Senator from South Dakota yield to the Senator from Montana?

Mr. NORBECK. I do.

Mr. WALSH of Montana. In the course of remarks made a short time ago by the Senator from New York [Mr. WAGNER], reference was made to statements made on the floor by various Senators, including myself, touching the failures that have been the fate of various cooperative associations. Of course the Senators spoke only from their own experience. In view of those statements I should like to put in the RECORD, with the consent of the Senator from South Dakota and the Senate, a

summary found in the Commercial and Financial Chronicle of a bulletin issued by the Agricultural Department last fall, giving the amount of business transacted by the cooperative farm marketing associations and the number of such associations engaged in business. It is as follows:

BUSINESS TRANSACTED BY FARMERS' COOPERATIVE ASSOCIATIONS IN 1927 OVER \$2,000,000,000

Farmers' cooperative associations transacted business to the amount of \$2,300,000,000 in the 1927 marketing season, according to a preliminary report by the division of cooperative marketing of the Department of Agriculture, for the 11,400 active associations listed by the department. This figure is less by \$100,000,000 than the total business for the 10,803 associations listed by the department in 1925. However, the price level for 1927 was lower than that for 1925. Had prices of farm products and the prices of supplies bought by farmers been as high in 1927 as in 1925 the total business of the cooperatives would have been in excess of \$2,500,000,000. The department, under date of October 27, also added:

"The largest amount of business credited to any one group was \$680,000,000, this being the sum of the transactions by the associations handling grain. The associations marketing dairy products had a total business of \$620,000,000; the livestock associations, \$320,000,000; the fruit and vegetable associations, \$300,000,000; the associations marketing cotton, \$97,000,000; the poultry and egg associations, \$40,000,000; the nut marketing associations, \$14,600,000; tobacco associations, \$22,000,000; and the associations handling wool, \$7,000,000. The business of the associations selling miscellaneous products and buying farm supplies amounted to nearly \$200,000,000.

"Some lines of activity which were important in 1915 were of less relative importance in 1927. This was not because of a decline in the amount of business transacted by these groups but because of a very great increase in the amount of business being reported by the associations in other groups. The associations handling dairy products and shipping livestock have made enormous strides since 1915, while the associations handling grain, fruits, and vegetables have made gains of about 100 per cent and 50 per cent, respectively.

"The West Central States led in cooperative activity in 1915, in 1925, and in 1927. The Pacific States were in second place in 1915, but had dropped to third place in 1925, where they remained in 1927. In 1925 the South Central States had advanced in relative importance as compared with 1915 but by 1927 had slipped back slightly. California associations reported a larger amount of business for 1927 than the associations for any other State, the estimated total being \$226,320,000. More than half of this business represented activity by the 285 fruit and vegetable associations."

I refer to this because I feel that if in the consideration of this bill we should proceed upon the assumption that farm marketing associations have not in general been successful it would be an unsound assumption.

Mr. NORBECK. Mr. President, it is not necessary to take up the time of the Senate to prove the economic injustice that exists in relation to agriculture generally and the grain producers of the Northwestern States in particular. All this is admitted by our opponents. If I were to say that it was admitted by our President in his recent successful campaign, I would be putting it mildly. He emphasized the need of agricultural equality at the same time when he called attention to the great prosperity existing in the land, and the proof of which is that our national yearly income is now \$90,000,000,000.

This bill before the Senate is easily divisible into two parts—

(a) The bill that passed the House.

(b) The amendments offered by the Senate, the principal one of which is the debenture plan, to give the producer of exportable farm products an additional price equal to one-half of the tariff and 2 cents per pound on cotton exported.

It is claimed for the House bill that it contains no debenture or equalization fee; that is admitted. It is claimed that there is no subsidy feature connected with it; that is true. All are agreed that there is no attempt to segregate the exportable surplus from the domestic supply. No one has yet claimed that it provides an effective means for restoring the purchasing power of the farmer's dollar to a pre-war basis. I see nothing in the House bill that will place the farmer on the same standard of living as others who labor.

It provides a revolving fund of \$500,000,000 to be loaned to farm organizations in connection with the marketing of their products. This sum may look large to those who are familiar only with small figures, but, of course, it is only a little more than one-half of 1 per cent of the Nation's income for one single year. Does anyone seriously believe that only about one-half of 1 per cent of our national income, to be used as a loaning fund, can bring a major industry like agriculture back to a normal condition?

If loans are necessary for this purpose, they can be provided by the intermediate credit bank. The great claim made for this legislation when it became a law some five or six years ago was that it would give this very service. The Government was to provide the capital. We find now that only a small part of it has been paid in. The answer is there has not been any great demand for it. The farmer of the Northwest does not want to borrow money now; he is struggling hard to pay his debts.

The bill that passed the House was not written by farm organizations; it was not asked for by farmers. It is the medicine prescribed for us by those who are opposed to us. A bill very much like this was presented in the last Congress as a "farm relief" measure, and was repudiated by a great majority of the Senators from the agricultural section, while it received good support from those who came from the manufacturing States.

The pending events have been long in the making. The contest was virtually settled in the Kansas City convention. My disappointment did not come yesterday or to-day; it came when the distinguished chairman of the resolutions committee, the senior Senator from Utah, read his suggestion for a Republican platform. At the time it seemed only a weak repetition of positive promises made to the farmers by the Republican convention four years previous, which were not carried out.

The Democratic platform adopted at Houston seemed to promise more, but its phraseology was such that it was difficult to interpret. Their candidate soon substituted the saloon for the equalization fee, and the farmers, both North and South, concluded that the agricultural question was not among the major issues of the campaign. It was entirely overshadowed by other issues, on which definite lines were drawn.

CAUSES OF AGRICULTURAL DEPRESSION

Those unfamiliar with the farm problem have convenient explanations as to the causes of the farmer's trouble. I will deal with that next.

I agree that if the farmer's distress is due to land speculation nobody should bear the penalty but himself.

If the farmer's troubles are due to an annual increase in unmarketable surplus crops, he has brought on his own trouble.

If the depression is due to an ever-increasing tax burden, and the farmer is responsible for same, then he can blame nobody but himself.

If the farmer's standard of living is as high as others, and he finds his income insufficient, he should not ask the Government for aid.

If, on the other hand, it is found that the agricultural depression is due to the fact that the commodities he sells do not bring proportionate prices to the goods he has to buy, then the causes must be found elsewhere, for the farmer does not fix the prices of the products he sells nor of anything he buys—supplies or service.

I want to briefly deal with these four questions.

LAND SPECULATION

Misinformation regarding land speculation has been persistent, and no substantiating figures have yet been submitted. I know from personal knowledge that not 1 farmer in 10 in the Northwest bought land during the period of high prices. Those who did lost everything. Why punish the other 90 per cent? I believe, in fact, that only 5 per cent of the farmers entered into any land speculation. Anyway, the percentage is much smaller than that of Government clerks, who are now speculating in Wall Street stocks of doubtful value.

Universal wisdom is not found in any one class. There are always individuals who take too big a risk. Most of the farmers of the Northwest acquired their land before the inflation came on; and if the deflation had not brought land down to a lower value than before the war, there would have been no serious trouble for the farmer. The reduced values simply reflect reduced earnings—the disappearance of profits or even wages in many lines of farming.

SURPLUS

The word "surplus" seems to have many meanings. If we have an exceptionally large potato crop, due to a favorable season, I would admit that the unmarketable part of the crop is a surplus—and a very difficult surplus to control. The cheapest way to dispose of it is to leave it in the ground.

We have for decades had an exportable surplus of wheat. Of late years it has not varied much. The fluctuations in surplus are not so much due to variations in price as to weather conditions. The increase in production has not kept up with our increase in population—I will later refer to Government statistics bearing out this statement. Therefore a wheat surplus is not the explanation of the farmer's handicap.

The world demands this wheat and must have it for food. We all know, if there were no exportable surplus, the present

tariff would be effective. It would give us an additional 42 cents per bushel on wheat. But I submit that it is impossible for the farmer to regulate the production of wheat so as to balance it with the domestic market. Even with reduced acreage, there would in years of good crop be a large exportable surplus, or there would be a shortage of bread in the years of poor crop. Never in all history have the farmers succeeded in regulating the crops to supply the domestic needs and at the same time prevent an exportable surplus. The tariff to-day is effective only on those crops for which the farmer is unable to supply the domestic demand, and the shortage is made up from foreign lands.

I will have something additional to say regarding the agricultural surplus further on in my remarks.

THE TAX BURDEN

Those who are disposed to criticize the western farmer take great delight in referring to the fact that his local taxes have greatly increased and they have no hesitancy in holding the farmer responsible for this, but it is an unfair position to take. The large tax burden is the school tax. Reference is often made to some school districts that have gone in debt for expensive school buildings. There are such; they are the exception and not the rule.

A couple of years ago I visited the district, where, as a boy, I attended country school. The same school building was there with an addition built on about 20 years ago, which cost three or four hundred dollars at the time. It is true that the school term has been lengthened from six months to nine months. There are those who would criticize the farmer for this, but I would not. The point I want to emphasize is that, even if the term were limited to six months, the school tax would be four times as heavy as it was previously. Fuel is four times as expensive; the teacher's salary is four times as high; furniture costs four times as much. It all had to keep pace with the higher wage standards and higher prices that prevail in the land.

It is pointed out that large expenditures have been made for the building of better highways and their upkeep. That is true. When the automobile was invented, the farmers were slow to adopt its use, and even then they were the last to support the proposed better-road program, but they had to learn that it was poor economy to drive even a cheap car on bad roads. Good highways were a necessity, if the automobile was to be used. Therefore the question involved is whether or not the farmer should have that cheap car which most farmers have or go without it. For my part, I believe it is a necessity for the farmers and a luxury for city dwellers, be they bankers, business men, bricklayers, or Government clerks. I believe that under the high wage scale that now prevails, a cheap car is one of the labor-saving devices for the farmer—it is almost a necessity.

STANDARD OF LIVING

I think it would be ridiculous to make serious answer to the suggestion we sometimes hear, that the farmer is living on too high a plane, even though it is true that he lives in a better house than in the past, even though he tries to give his children better educational facilities than formerly. If the automobile, the telephone, and the radio are luxuries of the farmer, make the most of it.

FARMER'S INCOME BEFORE THE WAR (THE NORMAL PERIOD)

We have available reliable Government records as to the farmer's income in the period preceding the war. That is now considered as the period of the best economic balance. The farmer was working on a small margin, or rather, for small wages, but he was holding his own—he was not slipping back. Country life had its attraction, and the hopes and aspirations of the family were in the farm. We often forget what the farmer's income was at that time, but I have a letter from the Bureau of the Census, dated July 28, 1922, dealing with the farmer's income before the war, although the bulletin was not published until 1916. The letter reads as follows:

MY DEAR SENATOR: Replying to your letter of July 27, the Bureau of the Census does not compile statistics of individual incomes.

The only general statistics of income which are published by the Government are those issued by the Commissioner of Internal Revenue, based on reports concerning personal income tax and these, of course, relate only to incomes large enough to be subject to the tax.

Concerning the farmer's income, in 1916 there was prepared and issued by the Office of Farm Management, Department of Agriculture, a bulletin—No. 746—on the farmer's income, by Dr. E. A. Goldenweiser. This bulletin showed that the wages of the average farmer are about \$600, composed of about \$200 in cash and about \$400 supplied by the farm. This is the best thing I know of on that subject.

Mr. President, this shows the average farmer's income to be \$600 a year, of which \$200 was cash. The remaining \$400 was charged up against him on account of the advantages of living on the farm. It is true, this includes all farmers, both large and small. Reflection has been cast on this because it includes the colored farmer of the South, whose income is admittedly lower. Even if deductions were made for this, it could hardly make a difference of more than \$50. These, I think, are average figures. If a great many farmers are more prosperous than the average, it naturally follows that an equal number fall below the average.

THE FARMER'S INCOME DURING THE WAR

We have no reliable statistics showing the farmer's income during the war. Prices went soaring on everything, especially on manufactured goods. Everything was permitted to find a natural level except one important product of the Northwest. Wheat had reached the price of \$3.45 a bushel in May, 1917. The publications of the Government Grain Corporation, explaining and defending their whole attitude, admit the possibility that wheat might have gone to \$5 a bushel in 1917 if it had not been for Government price fixing. There is no way to prove just what the farmers lost by Government interference with the law of supply and demand. The market broke when it became apparent that the price reduction was coming. Later it was fixed at approximately \$2 per bushel. There were 2,831,000,000 bushels of wheat handled during the control period. If the farmers lost a dollar a bushel they were robbed of more than \$2,000,000,000. But if the Government Grain Corporation estimate is correct, then the loss was much larger.

THE FARMER'S INCOME AFTER THE WAR

No Government department has provided Congress with any report as to the farmer's condition in the postwar period, but an organization made up largely of big business men, known as the National Industrial Conference Board of New York, has gathered and published considerable information bearing on this question. The report has been carefully worked out and its correctness has never been challenged. The report published in 1926 covers three years—1919, 1920, and 1921. It does not give the farmer's net income, but it gives his current income. It shows that the New England farmer suffered no loss from the deflation; in fact, he profited nearly 7 per cent. The farmers of the middle Atlantic States—that is, New York, New Jersey, and Pennsylvania—found their current income had shrunk 16.8 per cent. If we go farther west and take in the North Central States, from Ohio to Wisconsin, we find the average shrink to be 49.2 per cent. The west North Central States, generally referred to as the Northwestern States, suffered an average shrink of 69.3 per cent. The southern farmer found his current income diminished by about 50 per cent.

I ask unanimous consent that this table may again be printed in the RECORD.

The PRESIDING OFFICER (Mr. ODDIE in the chair). Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Per capita current income of farm and nonfarm populations, by States, 1919-1921¹

State and geographic division	Per capita nonfarm population			Per cent increase (+) or decrease (-), 1919-1921	Per capita farm population			Per cent increase (+) or decrease (-), 1919-1921
	1919	1920	1921		1919	1920	1921	
Continental United States.....	\$723	\$816	\$701	-3.1	\$362	\$298	\$186	-48.6
New England.....	744	877	727	-2.3	406	467	437	+7.6
Maine.....	592	706	617	+4.2	392	374	341	-13.0
New Hampshire.....	635	742	620	-2.5	296	372	379	+28.0
Vermont.....	602	696	585	-2.8	339	444	387	+14.2
Massachusetts.....	794	949	788	-0.8	510	625	574	+12.5
Rhode Island.....	739	867	759	+2.7	521	615	508	-2.5
Connecticut.....	725	850	641	-11.6	464	545	570	+22.8
Middle Atlantic.....	812	926	811	-1.1	507	489	422	-16.8
New York.....	928	1,045	958	+3.2	537	612	470	-12.5
New Jersey.....	735	828	705	-4.1	565	566	419	-25.8
Pennsylvania.....	698	817	672	-3.7	368	374	276	-25.0
East North Central.....	742	841	680	-8.4	427	367	217	-49.2
Ohio.....	738	844	626	-15.2	379	327	190	-49.9
Indiana.....	628	757	610	-2.9	371	269	135	-63.6
Illinois.....	822	898	814	-1.0	544	371	166	-69.5
Michigan.....	756	881	628	-16.9	363	381	255	-29.8
Wisconsin.....	610	689	579	-5.1	463	496	359	-22.5
West North Central.....	666	736	655	-1.7	463	284	142	-69.3
Minnesota.....	670	738	647	-3.4	406	257	142	-65.0
Iowa.....	657	730	621	-5.5	559	240	137	-75.5

¹ Based on National Bureau of Economic Research, Income in the Various States, New York, 1925, pp. 260 ff.

Per capita current income of farm and nonfarm populations, by States, 1919-1921—Continued

State and geographic division	Per capita nonfarm population			Per cent increase (+) or decrease (-), 1919-1921	Per capita farm population			Per cent increase (+) or decrease (-), 1919-1921
	1919	1920	1921		1919	1920	1921	
West North Central—Con.								
Missouri.....	\$670	\$771	\$708	+5.7	\$324	\$228	\$124	-61.7
North Dakota.....	529	573	512	-3.2	510	360	187	-63.3
South Dakota.....	708	649	569	-19.6	669	347	150	-77.6
Nebraska.....	694	738	670	-3.5	483	284	99	-79.5
Kansas.....	663	731	652	-1.7	487	395	186	-61.8
South Atlantic.....	602	655	561	-6.8	261	201	123	-52.9
Delaware.....	861	778	667	-22.5	348	290	178	-48.9
Maryland.....	740	846	716	-3.2	312	288	168	-46.2
District of Columbia.....	956	1,095	1,176	+23.0	534	355	268	-49.8
Virginia.....	574	596	528	-8.0	214	202	124	-42.1
West Virginia.....	564	725	546	-3.2	207	204	151	-27.1
North Carolina.....	500	523	431	-13.8	275	217	156	-43.3
South Carolina.....	555	544	438	-21.1	288	192	99	-66.8
Georgia.....	552	561	487	-11.8	256	165	84	-67.2
Florida.....	463	504	450	-2.8	277	242	164	-40.8
East South Central.....	532	576	517	-2.8	211	156	110	-47.9
Kentucky.....	574	667	606	+5.6	213	170	109	-48.8
Tennessee.....	531	574	529	-4	192	165	121	-37.0
Alabama.....	483	513	430	-11.0	200	140	109	-45.5
Mississippi.....	541	508	470	-13.1	241	149	100	-58.5

Mr. NORBECK. The Department of Agriculture has for about eight years been publishing regular reports to the effect that the farmer's dollar was depreciated in its purchasing power. As a result, a bushel of wheat would not buy as much as it did before the war. The average product of the farm would not have an exchange value equal to the pre-war period. In other words, the farmer's wages were reduced. In many instances they were reduced to the point of zero.

We have often been reminded that the farmer's income has improved to 80 per cent, and it has reached 90 per cent. Bear in mind that refers to averages. When cotton is high in the South, or oranges are high in California, it tends to overshadow or overbalance, statistically speaking, the losses in other sections. We are asked to be cheerful over a 90-cent dollar. Where on earth is there any business that could take a 10 per cent shrink in its prices and avoid bankruptcy? If a bank loses 10 per cent of its deposits, it is in trouble; if it has an increase of 10 per cent, it is flush and does not know what to do with the money. Ten per cent is the margin between profit and loss in nearly every undertaking.

THIRTY PER CENT OF THE POPULATION GETS ONLY 7 1/2 PER CENT OF THE INCOME

I quote the following from an article by one of the great students of agriculture, former Gov. Frank O. Lowden, of Illinois, which article was published in American Review of Reviews, July, 1927:

The discussion over the farm situation has reached a new stage. It is being seen that it is not only the farmer who is involved. The business world is now viewing the problem as one in which business, too, is vitally interested.

In the summer of 1925 the National Industrial Conference Board, with headquarters in New York, undertook a thorough study of the farm problem. That board is an organization set up by the chief industries of the country for economic research into questions affecting industry. While agriculture might seem to be beyond its purview, it reached the conclusion—wisely, I think—that agriculture and industry were so closely interrelated that it could no longer afford to disregard complaints which had been coming from the agricultural sections of the country for a number of years. Its investigations were thorough and exhaustive. It issued its final report early last summer in an impressive volume. Among other things, the conference board found that agriculture had been able to go on in recent years largely through sacrifice of its capital assets and through sacrifice of the soil resources of the Nation.

The very able president of that board, Mr. Magnus W. Alexander, in an address recently delivered in New York, said:

"American farmers as a group are buying about \$6,000,000,000 worth of manufactured goods from American industry each year.

"They are paying, in addition, for about \$4,000,000,000 worth of services rendered by others annually.

"They are supplying one-eighth of the tonnage carried by the railroads.

"They are exporting about one-half of the total value of exports from the United States.

"They are debtors to other groups to the enormous sum of over \$12,000,000,000."

Is there any further argument needed to show the close relationship and interdependence between American agriculture and other economic groups in our national life? Does this not make quite clear that if agriculture is economically handicapped—and hence not prosperous—industry, commerce, finance, and transportation can not attain their full measure of prosperity?

Yet, while constituting about 30 per cent of our population, the farming community's share of the national income was, in 1921, 10 per cent and is now probably not more than 7½ per cent.

THE INDIVIDUAL PROBLEM

There is an increasing disposition to confound the question of economic justice with one of individual success or failure.

It is well known that when England levied unfair trade restrictions on the Colonies, and they complained bitterly of the injustice, the Tories answered by saying "they knew a lot of people who were getting along all right; that success or failure was an individual problem, anyway."

Thirty or forty years ago, when labor conditions in our cities were most deplorable and many suffered from actual want, their plea for a better wage was often met with the statement, "Some succeed all right under the income they have; and it is an individual problem, anyway."

I am even told that in the old slavery days, when certain allotments or rations were apportioned to the slaves, some who had better health, more strength, or better ability to deal with the situation got along better than others, and that even in those days it was argued that the question of distress or welfare was an individual problem, anyway. The farmers are told the same now.

FARMERS ARE GIVEN ADVICE INSTEAD OF PRICE

City people take great delight in advising the farmers about diversification and other matters. It is an easy thing for city editors to write on the farm question, but it is more difficult to harmonize their advice with actual conditions. For instance, the farmer is being urged all the time to produce more dairy products, because it is profitable under the present tariff; it actually gives the farmer a wage. It does not give him a fair wage, but it does give him something for his labor, which is all important. From all the advice given it would seem there should be no limit to the demand for dairy products; but the secretary of the National Cooperative Milk Producers' Federation appeared before the Committee on Agriculture and stated that "the dairy industry is not a surplus industry at the present time, although we are within 1 per cent of the total production of being on an export basis." This shows we are approaching the danger point. If there is more production, there must be more consumption, or the tariff will soon cease to be effective and we will be on a foreign-price basis.

SHORTAGE OF WOOL AND HIDES

It is well known that we are heavy importers of wool and hides, and it has often been argued, with apparent good reason, that these products should come from the American farm. There is something in that; but one important fact is overlooked, and that is that neither wool nor hides are products; they are by-products. We can not produce wool or hides without producing the animals. We can not afford to raise cattle only for the hide nor sheep for the wool; the carcass must be sold. And I have become convinced that any effort to produce all our necessary wool would mean a breakdown not only in our mutton market but other meats as well. I have sought expert advice on this question, and have been convinced that an increase of 15 to 20 per cent in the number of our sheep would lead us to the danger point where we might suffer more loss on our meat price than we would gain from the sale of wool.

MORE FORTUNATE FARMERS

We have a good percentage of farmers who have survived and have been able to carry their burden. In the case of the sheep raiser the tariff is the main factor, but it is not a major factor in the Northwest. In some instances success has been due to the fact that the farmer had his land paid for before the war. While he may not have had the interest on his investment, he can get along without it when the farm is paid for. In other instances it has been due to the fact that he "has his own help." His sons take the place of hired help and save that expense, which often represents the difference between profit and loss. We also have some farmers who are exceptionally hard working and unusually thrifty; many of them carry their burden without complaining, though keenly aware of the handicaps under which they are working. One factor is the increase in freight rate. However, this is not the main difficulty, though the State of South Dakota has paid in increased freight rates more than \$100,000,000 since the passage of the Adamson law.

DEBENTURE PLAN

We have listened to arguments by able Senators to the effect that the debenture plan does not insure success, as it

can be nullified by the countries to which we desire to export. Our present exports are subject to the same limitations. We have no right to ship to any country; we must get their permission.

Some countries to which we export may consider our proposed debenture plan an export subsidy, but they can not object seriously, for many of them are using similar plans to encourage exports and maintain higher domestic prices. Germany first put its debenture plan into practice 30 years ago, and while it was abolished during the war, it has been re-enacted since. Sweden has a debenture plan. Australia and other countries have debenture plans.

But the point I want to emphasize is that there is no bill pending here to make the debenture plan a law of this land. Therefore the debenture plan is simply an "optional" feature in the Senate farm bill. The farm board may or may not put it into operation. It may be applied to some commodities and not to others. It may be applied part of the time and not all the time. All this is within the discretion of the farm board. The farmers are asking for this plan in the firm belief that it will add 21 cents a bushel to the price of wheat if put into operation, and a proportionate advance on such other commodities of which we produce an exportable surplus.

The farmers are simply saying to the administration, "If your suggested farm bill proves to be ineffective, we want you to have one more plan that you may invoke, for we think this one is good; we leave it entirely to your judgment as to whether or not you will put it into operation."

Is there anything radical or unsound about this?

I believe a Federal farm board will find it very helpful, if they are trying to do justice to the farmer.

The debenture plan was first introduced in the Senate by a former Senator from Illinois, the very able and distinguished Senator McKinley, whose soundness of thought and business success was recognized by all who knew him. The Grange, which is the oldest farm organization in America, having a record of 62 years, has for a long time been a consistent and persistent advocate of this debenture plan. The master of the National Grange, Mr. L. J. Taber, appeared before the Committee on Agriculture and brought out the fact that the debenture plan was originally suggested by Alexander Hamilton, when he proposed the adoption by our young Government of a tariff policy—tariff for the protection of manufacturers and a debenture or bounty plan for the protection of farmers who might suffer as a result of the tariff. I ask that Mr. Taber's statement, as contained in the printed hearings, be incorporated in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement is as follows:

Mr. TABER, Alexander Hamilton suggested both a tariff program and a bounty program. We accepted his tariff program idea but did not utilize the rest of his program; but we did do something for industry that we have no objection to having considered, which was eminently fair. Alexander Hamilton's suggestion, as I remember reading his report, was simply that we should apply the tariff for those industries that were then of a rather infant nature and needed encouraging, but he pointed out that the basic agricultural industry would be penalized by the tariff policy because it could not fully enjoy it; and then he said that part of the revenue created should be utilized in compensating agriculture which could not enjoy the tariff benefit.

We suggest nothing new. We are going back to the inception of the tariff policy of Alexander Hamilton. We are building upon the remitted tariff duty idea. We are building upon the tariff drawback idea, but we go a step farther. We are following the experience of other nations. Germany applied years ago what they called the *Einfurschein*. It operated similarly to the export debenture. It was in the philosophy of Emperor William to give German agriculture a balanced policy, and he did not want to prevent the farmer that grew rye from enjoying tariff benefits. So he provided the exchange idea known as the *Einfurschein*, which has been differently interpreted and becomes almost the equivalent of our export-debenture idea. Other countries have adopted the same thing.

Our whole purpose in mentioning these matters is to refresh the recollection of the committee and to emphasize what we believe to be a sound policy that the Government should apply to agriculture, the same as other governments are doing.

Mr. NORBECK. Mr. President, the debenture plan is at least frank. There is nothing evasive about it. Call it a subsidy if you like. I believe the tariff to be an indirect subsidy. Maybe the debenture plan is also. The Senate Committee on Agriculture were so impressed with the testimony of the expert economists from the Department of Agriculture that it was agreed to incorporate the debenture plan in the farm bill.

For my part, I believe that even if it were never invoked by the board, it would be helpful in preventing destructive specula-

tion in our products. If we had a farm-minded board, no speculator would seriously undertake to break down the price, if he realized that the farm board might invoke the debenture plan.

ATTITUDE OF FARM ORGANIZATIONS

There has been considerable said about the failure of the farm organizations to unite, but there has been a decided improvement in that matter. Their disagreements were at one time the most discouraging thing to contend with here in Washington, as the dissensions in the farm organizations were sometimes generated by men who traveled from one section of the country to another to stir up trouble among the farm organizations and get them to fight each other.

The following statement, in which the three large farm organizations have united, is one of the best omens of progress:

WASHINGTON, D. C., April 6.—After a series of conferences lasting several days, the following letter was written and sent to-day by the presidents of the three general farm organizations—the National Grange, the Farmers' Union, and the Farm Bureau Federation—to the chairmen of the House and Senate committees now busily engaged in formulating a farm relief policy for presentation at the opening of the special session of Congress, April 15:

"The representatives of the three national farm organizations—the Farmers' Educational and Cooperative Union, the National Grange, and the American Farm Bureau Federation—wish to convey to you their joint conclusions in regard to the foremost task which confronts the extraordinary session of Congress soon to convene.

"It is too evident to need more than mention that legislation to be of benefit to agriculture must be of such nature that it will increase the farmers' net income. The American farmer must have an American price for his farm products in order to maintain an American standard of living; any legislation which stops short of attempting to secure this certainly will not suffice.

"There are, in our opinions, four requisites which must be met by any legislation to permit it to qualify properly as farm relief. These requisites are:

"(1) It should make the tariff effective on all farm crops so that surpluses will not be permitted to depress the domestic price to the world level of prices.

"(2) It should be of such nature that the control and disposition of agricultural surpluses are adequately provided for.

"(3) It should contain provisions which are automatic in their operation to check overproduction.

"(4) It should provide for farmer ownership and control of marketing organization with due consideration to cooperative associations already established.

"We unanimously agree upon these fundamental principles and offer our services to the Senate and House Committees on Agriculture in formulating legislation which will make the above principles operative.

"We recognize that the Committees on Agriculture do not initiate tariff measures; but we desire to express our conviction that, in addition to the type of legislation above described, the special session of Congress should make tariff adjustments sufficient to give the farmers of our Nation the domestic market.

"Yours very truly,

"FARMERS' EDUCATIONAL AND COOPERATIVE UNION,

"C. E. HUFF, President.

"THE NATIONAL GRANGE,

"L. J. TABER, Master.

"AMERICAN FARM BUREAU FEDERATION,

"S. H. THOMPSON, President."

This joint action by the major farm organizations of the country is looked upon as a distinct contribution to the deliberations of the committee and is heralded as the most important joint step ever taken by the representatives of the farmers, as it places the farmers unanimously behind a unanimous program for farm relief for the first time in the past decade.

THE POSITION OF ORGANIZED LABOR

I was much pleased with the testimony of Mr. William Green, president of the American Federation of Labor. I have come to the conclusion that the labor organizations understand better than the farmers this fundamental fact, that a large increase in labor leads to higher prices of all commodities, and in turn increases the high cost of living. Those who work for wages have learned this from actual experience. They have received the desired wage increases, only to find that they were quite largely absorbed by the resultant rise in price levels.

The labor leaders of the land are not unmindful of the splendid support that the farmers have given them in the past. In testifying before the Senate Committee on Agriculture, at the hearings on the farm bill, Mr. Green evidenced a sympathetic attitude. His statement is in part as follows:

The thought that I want to leave with you gentlemen here is: Labor is in hearty accord with your purpose and your objective. We want to see the farmers prosperous. We want to help them to be prosperous. We are willing to help them to be prosperous by paying a little more for the things the farmer sells. We are anxious that the farmer should receive more money, so he can be made an active buyer and consumer of the things that labor produces, * * * so that he would stay on the farm.

MISLEADING INFORMATION

Correct information is the basis of any progress. We have learned so many things that are not so. Our opportunity to go ahead often depends on our ability to unlearn. It has been said this is an age of myths, and many of them have a bearing on the agricultural question.

One myth is that there are seasonal fluctuations in grain prices that operate decidedly to the disadvantage of the farmer. This matter was gone into fully by the Agricultural Committee several years ago. The members of the committee became convinced at that time that there was little or nothing to the statement that wheat is cheap in the fall, when the farmer has it to sell, and high in the spring, when held by millers, grain dealers, and speculators. This happens occasionally, but not as a rule. The mere holding over of grain entails a great deal of expense. In addition to warehouse charges, there is shrinkage, insurance, and last, but not least, interest on the capital tied up.

There are those who assume they are going to confer a great benefit on the farmer by stabilization of wheat prices over the different months of the year.

Mr. President, I ask that Table No. 23, which I have clipped from the Agricultural Yearbook of 1927, be printed in the RECORD. It sets out the monthly wheat prices for the previous four or five years. This carefully prepared record is a complete answer.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table is as follows:

TABLE 23.—Wheat: Weighted average price per bushel of reported cash sales, 1900-1927
[Yearbook of Agriculture, 1927]

Year beginning July	July	August	September	October	November	December	January	February	March	April	May	June	Weighted average
Average:	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1923	96	101	109	112	109	109	113	111	109	104	106	108	105
1924	120	119	120	137	143	162	182	181	171	151	163	160	135
1925	154	164	158	158	163	172	178	171	161	159	155	153	163
1926	137	131	132	139	137	138	137	135	133	131	142	144	135
1927	136	135	131	128	131	132							

Mr. NORBECK. It will be noted that the fluctuations often referred to do not exist. July wheat in 1923 was 96 cents a bushel. Most of the marketing comes at a later period. September was \$1.00, and October \$1.12. The average for the year was \$1.05.

In 1924 July wheat was \$1.20, October was \$1.37. The high point was reached in January, \$1.84, and the following June it was back to \$1.60.

In 1925 July wheat was \$1.54, September and October wheat average \$1.58. The high point came in January at \$1.78, but the average for the year was \$1.63.

Take the year 1926, July wheat was \$1.37. In October it was \$1.39, and in the following June it was \$1.44.

Next I refer to Table No. 46, covering the price of rye from the same Yearbook. This is also information compiled by the Department of Agriculture. I ask that the table may be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table is as follows:

TABLE 46.—Rye, No. 2: Weighted average price per bushel, Chicago, 1909-1927

Year beginning July	July	August	September	October	November	December	January	February	March	April	May	June	Weighted average
Average:	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1909-1913.....	75	74	75	76	75	75	77	76	76	78	80	75	76
1914-1920.....	147	143	143	140	142	145	152	149	162	167	168	163	152
1921-1925.....	91	89	88	89	91	98	101	102	93	92	91	88	94
1909.....	79	71	72	73	74	77	81	81	79	79	77	76	76
1910.....	77	75	74	76	79	81	84	82	89	95	102	90	84
1911.....	84	85	91	97	95	93	94	92	91	94	93	83	91
1912.....	74	72	69	69	64	61	64	62	60	62	62	62	65
1913.....	63	66	67	65	64	63	61	62	61	62	65	63	64
1914.....	64	84	95	92	102	110	119	123	117	117	119	117	105
1915.....	108	100	96	101	99	97	101	97	93	96	98	98	99
1916.....	98	113	120	133	147	141	143	146	161	187	220	240	154
1917.....	227	190	186	184	178	182	201	239	284	294	220	180	211
1918.....	173	167	163	163	168	159	161	138	161	173	159	146	161
1919.....	155	154	140	138	142	166	176	156	172	199	213	227	170
1920.....	204	190	199	169	159	161	163	147	146	135	147	132	162
1921.....	127	107	104	86	79	86	81	97	102	104	106	90	97
1922.....	82	73	72	78	87	88	87	86	83	86	78	70	81
1923.....	65	67	70	72	71	70	73	72	69	66	67	76	70
1924.....	84	93	103	126	131	141	157	157	128	112	119	113	125
1925.....	97	105	90	83	88	103	105	97	85	91	86	92	96
1926.....	105	101	96	101	98	96	102	105	102	104	114	115	101
1927.....	108	97	98	100	105	109							

Mr. NORBECK. It will be noted that the monthly prices referred to cover nearly 20 years, covering 240 months. There are some variations, but no large fluctuations except during the war.

I also ask that Table No. 59 of the 1927 Agricultural Yearbook, covering Chicago prices of corn for a period of about

20 years, be printed in the RECORD; also Table No. 97 of the Yearbook, covering the prices of flax, may be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The tables are as follows:

TABLE 59.—Corn, No. 5, yellow: Weighted average price per bushel of reported cash sales, Chicago, 1909-1927

Year beginning November	November	December	January	February	March	April	May	June	July	August	September	October	Weighted average
Average:	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1909-1913.....	60	55	56	56	57	61	64	64	65	73	71	66	61
1914-1920.....	115	110	111	109	114	121	130	130	134	136	124	112	115
1921-1925.....	79	77	79	80	79	78	81	82	89	90	87	88	79
1909.....	59	59	64	63	61	57	60	59	62	64	58	50	59
1910.....	49	45	45	45	45	50	54	55	63	65	67	73	53
1911.....	68	61	62	64	68	78	79	75	68	79	74	65	71
1912.....	52	46	46	48	49	55	57	60	62	74	75	70	53
1913.....	72	66	62	62	64	67	70	72	71	82	79	73	70
1914.....	67	64	71	74	72	75	77	74	78	81	74	65	70
1915.....	63	69	74	74	73	76	75	74	81	85	86	96	79
1916.....	98	92	98	100	109	140	159	170	199	206	210	203	111
1917.....	221	177	177	181	170	165	160	162	170	172	168	141	163
1918.....	133	145	143	127	153	162	174	178	192	195	155	141	162
1919.....	146	147	151	146	158	169	202	189	158	158	131	91	130
1920.....	77	74	65	63	62	57	60	63	60	56	53	45	62
1921.....	47	47	48	55	57	58	62	61	64	62	64	69	55
1922.....	71	73	70	72	73	79	82	84	88	88	89	104	73
1923.....	82	71	76	78	77	77	77	82	109	117	114	110	88
1924.....	111	120	124	122	117	105	115	113	108	102	91	82	106
1925.....	83	76	79	75	72	71	71	70	78	80	79	77	75
1926.....	71	75	74	73	68	71	87	99	102	109	97	84	87
1927.....	84	86											

TABLE 97.—Flaxseed: Estimated price per bushel, received by producers, United States, 1909-1927

Year beginning September	Sept. 15	Oct. 15	Nov. 15	Dec. 15	Jan. 15	Feb. 15	Mar. 15	Apr. 15	May 15	June 15	July 15	Aug. 15	Weighted average
Average:	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1909-1913.....	167.0	166.4	163.3	161.1	166.5	172.4	173.5	154.8	175.9	171.5	169.0	170.7	165.1
1914-1920.....	274.8	280.7	254.9	257.7	263.2	270.8	276.9	281.0	281.1	275.5	278.8	185.8	267.1
1921-1925.....	198.1	201.0	203.6	210.5	221.4	231.3	234.7	234.7	237.3	228.4	220.1	213.3	207.6
1909.....	123.0	131.3	146.4	162.0	182.0	193.0	193.5	201.7	202.5	189.5	196.6	214.8	148.6
1910.....	227.2	231.8	230.6	226.4	227.5	237.3	237.6	238.2	233.4	215.3	202.4	201.4	229.8
1911.....	204.3	207.8	196.4	184.6	189.0	187.4	187.6	186.2	193.0	201.7	186.8	168.9	195.8
1912.....	155.2	140.6	124.0	110.4	107.8	114.2	116.3	114.0	115.0	114.6	116.0	123.2	127.4
1913.....	125.2	120.6	119.3	122.0	126.0	130.2	132.6	133.8	135.8	136.4	143.4	145.0	123.9
1914.....	133.4	123.0	122.4	130.4	149.2	160.8	162.8	168.6	169.6	161.0	148.6	144.0	131.6
1915.....	145.8	155.5	168.4	180.0	198.4	206.7	202.3	197.0	184.2	169.8	170.6	184.2	169.6
1916.....	194.7	217.0	241.6	249.6	252.2	253.4	259.6	283.4	290.7	288.4	274.8	287.2	233.8
1917.....	305.6	302.2	296.2	303.7	318.8	338.2	364.8	376.5	368.4	356.4	379.9	395.8	315.9
1918.....	381.0	357.4	337.0	333.9	318.9	338.0	338.0	355.0	375.4	416.7	492.4	529.0	374.2
1919.....	477.8	410.2	410.3	436.0	445.0	464.6	464.2	452.0	434.6	390.4	331.6	297.0	427.0
1920.....	285.0	259.9	208.4	170.2	160.0	153.4	146.5	134.2	135.7	145.8	154.0	163.4	217.6
1921.....	163.8	154.0	145.0	148.1	162.1	194.6	217.4	224.6	233.8	230.0	217.2	200.8	171.0
1922.....	189.1	199.4	211.0	217.8	229.9	245.4	261.6	279.5	273.1	248.4	228.8	210.4	209.5
1923.....	208.4	212.1	211.4	218.8	218.8	224.9	223.7	217.7	222.6	213.1	218.1	210.2	212.3
1924.....	201.2	210.8	222.7	235.8	271.8	275.3	267.8	244.7	251.8	246.8	227.6	229.5	220.7
1925.....	227.9	228.9	228.1	232.1	224.5	216.4	202.9	207.0	205.4	203.9	208.7	215.7	224.7
1926.....	211.3	197.5	195.5	196.4	193.0	195.7	195.1	196.1	205.7	204.7	198.4	203.7	197.4
1927.....	197.1	191.2	184.2	185.3									

Mr. NORBECK. Previous references are only to the price of grain, but a study of the cotton market will show a very similar situation.

The case of cotton is covered by Table 254 of the Agricultural Yearbook for the year 1927. I find this refers to the

New Orleans market. I ask also that this be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table referred to is as follows:

TABLE 254.—Cotton, middling: Average spot price per pound at 10 markets

Year beginning August—	August	September	October	November	December	January	February	March	April	May	June	July	Average
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1909	12.28	12.65	13.48	14.40	14.96	15.23	14.88	14.74	14.64	14.89	14.85	14.93	14.33
1910	14.92	13.49	14.21	14.50	14.85	14.95	14.62	14.54	14.70	15.48	15.26	14.30	14.65
1911	11.96	11.29	9.61	9.35	9.17	9.53	10.31	10.65	11.61	11.72	12.07	12.93	10.85
1912	12.07	11.37	10.95	12.15	12.81	12.58	12.61	12.45	12.44	12.29	12.44	12.34	12.20
1913	12.02	13.11	13.73	13.26	12.98	12.93	12.90	12.95	13.11	13.36	13.79	13.34	13.12
1914		8.42	7.02	7.43	7.18	7.87	8.01	8.34	9.43	9.04	9.12	8.71	
1915	8.94	10.40	11.95	11.50	11.89	12.04	11.45	11.73	11.88	12.61	12.80	13.03	11.68
1916	14.26	15.27	17.24	19.45	18.34	17.33	17.14	17.94	19.51	20.06	24.18	25.41	18.84
1917	25.07	21.68	26.76	28.07	29.07	31.07	30.91	32.76	33.05	28.90	30.71	29.50	28.96
1918	30.23	33.22	31.18	29.75	29.44	28.84	26.97	26.84	26.70	29.22	32.09	33.93	29.87
1919	31.38	30.38	35.28	39.58	39.89	40.28	39.39	40.69	41.41	40.31	40.49	39.41	38.21
1920	34.03	27.48	20.95	17.65	14.59	14.53	12.85	11.08	11.17	11.80	11.03	11.49	16.55
1921	12.78	19.35	18.99	17.27	17.16	16.53	16.36	16.74	16.80	19.31	21.68	22.01	17.92
1922	21.55	20.74	22.05	25.34	25.48	27.51	28.78	30.43	28.42	26.63	28.61	25.73	25.94
1923	24.22	27.71	29.18	33.68	34.88	33.93	31.90	28.74	30.41	30.70	29.43	29.23	30.33
1924	26.65	22.79	23.48	23.95	23.66	23.66	24.61	25.52	24.52	23.54	24.07	24.05	24.21
1925	23.07	23.09	20.86	19.82	19.27	20.26	19.83	18.35	18.11	18.06	17.54	18.24	19.71
1926	18.01	16.14	12.68	12.52	12.22	13.17	13.82	14.10	14.42	15.68	16.47	17.63	14.74
1927	19.36	21.53	20.73	19.99	19.26								

Mr. NORBECK. I have one more table furnished by the Department of Agriculture, which was sent to me in a recent communication from the Bureau of Agricultural Economics. It refers to the price of tobacco. I am informed that these farm prices constitute about an average for all markets and all types of tobacco. This even goes to show that while there are large fluctuations in tobacco, they do not bear out the theory that

the prices are much lower at the season of the year when the farmer has to sell. It shows how vain is the hope of stabilization materially improving the farmer's prices. I ask that the table be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table is as follows:

Tobacco: Average United States farm prices in cents per pound, 15th of month, 1922-1929

[Compiled in tobacco section, Bureau of Agricultural Economics, U. S. Department of Agriculture]

Year	January	February	March	April	May	June	July	August	September	October	November	December
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1922	19.1	18.3	16.6	14.4	16.4	15.2	16.5	18.0	20.2	23.4	21.5	24.7
1923	24.7	26.0	24.1	21.8	21.3	24.2	21.9	23.2	22.5	19.6	20.6	21.4
1924	21.3	20.6	20.9	20.2	18.6	19.1	22.4	24.0	22.6	23.5	24.3	22.4
1925	18.6	19.0	18.3	18.5	16.6			20.4	17.9	18.2	19.5	17.6
1926	15.8	15.8	15.5	14.9	14.3	13.7		17.0	20.2	22.0	21.6	19.0
1927	17.4	15.5	14.2	14.0	13.5	15.1	15.8	17.2	19.5	17.8	19.3	20.9
1928	21.2	20.6	19.6	18.0	17.5	17.5	18.4	18.4	17.5	17.0	18.1	19.7
1929	20.1	19.3	18.1									

ANOTHER MYTH

Mr. NORBECK. There is another myth abroad in the land and that is we have an ever-increasing agricultural surplus; that this increase in production is the cause of the farmer's trouble. I desire to refer to the published statistics of the Department of Agriculture. I think they are a complete denial of this assertion. In my opinion they prove conclusively that our increase in the production of grain during the last decade or two has not kept pace with our increase in population.

It is often argued that the country can and will produce a much larger quantity of grain when there is a demand for it. The increased wheat production during the war is referred to as proof of this, but we overlook the fact that the corn acreage during that period fell off about the same extent as the wheat acreage increased. The distinguished Senator from Iowa [Mr. BROOKHART] said the other day that Iowa farmers could raise wheat but not without reducing their corn acreage. They can not raise it on the roofs of buildings or on the highway; it must be raised in the fields. If more wheat is desired, there will have to be less of something else.

We hear a good deal about marginal lands coming into production. No Senator has yet attempted to define the term "marginal lands." It exists mainly in the imagination of some writers, unless the term be applied to the fluctuating yields due to weather conditions. This is limited to no one crop.

I have before me Table No. 1, page 739, of the Agricultural Yearbook, 1927, showing the yield per acre and total production from 1907 to 1927. While there has been some increase during this period, it is remarkably small and does not keep pace with our increased population. For instance, in 1899 the acreage of wheat was, in round numbers, fifty-two and one-half million. Ten years later it was, in round numbers, just a little over 44,000,000 acres.

In 1913, just before the war, it had reached 50,000,000 acres, a little less than it was 10 years previous.

I call attention to the fact that the 1916 wheat crop was about 52,000,000 acres. It sold at the highest price for a decade—\$1.60—and the following year the acreage had fallen off over 7,000,000 acres. On account of climatic conditions, the total production, however, was about the same.

During the war there was an increase in acreage and also an increase in total production, in response to the Government's urgent demand for food for the soldiers and for Europe. By 1924 the acreage was back to about 50,000,000 acres. The production was about 800,000,000 bushels, which is less than it was in 1914, 10 years previous.

The years 1924 and 1925 show approximately the same acreage, but the total production for 1925 was nearly 200,000,000 bushels less than in 1924. The last two years, as will be shown by the table, indicate very moderate increases in acreage and in total production. The acreage of wheat in 1927, however, was about 20,000,000 acres less than in 1919.

I repeat, there has been no increased acreage of wheat. There has been no increase in wheat production that accounts for any surplus. What little increase there has been has not been equivalent to the growth of our population.

I ask at this point that the table with reference to wheat, its acreage, production, value, and so forth, may be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table is as follows:

TABLE 1.—Wheat: Acreage, production, value, United States, 1907-1927

Year	Acreage harvested	Average yield per acre	Production	Price per bushel received by producers Dec. 1
	1,000 acres	Bushels	1,000 bushels	Cents
1907	45,116	14.1	637,981	86.5
1908	45,970	14.0	644,656	92.2
1909	4,265	15.4	658,379	
1909	44,262	15.8	700,434	98.4
1910	45,081	13.9	626,121	88.3
1911	49,543	12.5	621,338	87.4
1912	45,814	15.9	730,227	76.0
1913	50,184	15.2	763,380	79.9
1914	53,541	16.6	891,017	98.6

TABLE 1.—Wheat: Acreage, production, value, United States, 1907–1927—Continued

Year	Acreage harvested	Average yield per acre	Production	Price per bushel received by producers Dec. 1
	1,000 acres	Bushels	1,000 bushels	Cents
1915	60,469	17.0	1,025,801	91.9
1916	52,316	12.2	636,318	160.3
1917	45,089	14.1	636,655	200.8
1918	59,181	15.6	921,438	204.2
1919	73,089	12.9	945,408	214.9
1920	75,694	12.8	967,979	214.9
1921	61,143	13.6	833,027	143.7
1922	68,696	12.8	814,905	92.6
1923	62,317	13.9	867,598	100.7
1924	50,659	13.4	767,394	92.3
1925	50,862	15.7	800,877	129.9
1926	52,535	16.5	864,428	141.6
1927	52,255	12.9	676,429	119.8
1928	56,337	14.8	831,040	111.8
1929	58,883	14.9	871,691	

Mr. NORBECK. From the same Yearbook of the Department of Agriculture, I also have the figures on oats. It shows that in the period from 1910 to 1914, the acreage ran from 37,000,000 to 38,000,000 acres, and there was a slight decrease in the total production. There was some increase during the war, but not material. There has been a substantial decrease the last three or four years.

Where does the increased surplus come from?

I also ask that the table be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table referred to is as follows:

TABLE 65.—Oats: Acreage, production, United States, 1910–1927

Year	Acreage harvested	Average yield per acre	Production
	1,000 acres	Bushel of 32 lbs.	1,000 bushels
1910	37,548	31.6	1,186,341
1911	37,763	24.4	922,298
1912	37,917	37.4	1,418,337
1913	38,399	29.2	1,121,768
1914	38,442	29.7	1,141,060
1915	40,996	37.8	1,549,030
1916	41,527	30.1	1,251,837
1917	43,553	36.6	1,592,740
1918	44,349	34.7	1,538,124
1919	37,991	37.8	1,055,183
1920	40,359	29.3	1,184,030
1921	42,491	35.2	1,496,281
1922	45,495	23.7	1,078,341
1923	40,790	29.8	1,215,803
1924	40,981	31.9	1,305,883
1925	37,650	34.7	1,304,690
1926	42,110	35.7	1,502,529
1927	44,872	33.2	1,487,550
1928	44,177	28.2	1,246,848
1929	42,227	28.3	1,195,006

Mr. NORBECK. The production of oats for the last three years is no higher than the years preceding the war.

Mr. President, I also ask that the table on corn be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table referred to is as follows:

TABLE 47.—Corn: Acreage, production, United States, 1904–1927

Year	Acreage	Average yield per acre	Production
	1,000 acres	Bush. of 56 lbs.	1,000 bush.
1904	93,340	27.1	2,528,662
1905	93,573	29.4	2,748,949
1906	93,643	30.9	2,897,662
1907	94,971	26.5	2,512,065
1908	95,603	26.6	2,544,957
1909	98,385	25.9	2,552,190
1910	98,383	26.1	2,572,336
1911	104,035	27.7	2,886,260
1912	105,825	23.9	2,531,488
1913	107,083	29.2	3,124,746
1914	105,820	23.1	2,446,988
1915	103,435	25.8	2,672,804
1916	106,197	28.2	2,994,793
1917	105,296	24.4	2,566,927
1918	110,730	26.3	3,065,233
1919	104,467	24.0	2,502,665

TABLE 47.—Corn: Acreage, production, United States, 1904–1927—Cont.

Year	Acreage	Average yield per acre	Production
	1,000 acres	Bush. of 56 lbs.	1,000 bush.
1919	87,772	26.7	2,345,833
1920	97,170	28.9	2,811,302
1921	101,699	31.5	3,208,584
1922	103,740	29.6	3,068,569
1923	102,846	28.3	2,906,020
1924	104,324	29.3	3,053,557
1925	82,329	29.2	2,403,880
1926	100,863	22.9	2,309,414
1927	101,359	28.8	2,916,961
1928	99,713	27.0	2,692,217
1929	98,914	28.2	2,786,288

Mr. NORBECK. Where is there a Senator who will argue that the agricultural depression is due to an increased surplus? I pause to give him a chance to be heard.

The point I want to make is that the so-called increased surplus is not in evidence.

Mr. KING. Mr. President, would it interrupt the Senator if I should ask a question for information?

Mr. NORBECK. Not at all.

Mr. KING. I have heard only a portion of the Senator's very able speech, having been called from the Chamber, and I am greatly interested in the statements made and I think in the conclusions reached, if I interpret his speech correctly. May I ask the Senator whether his conclusion is that there are only two remedies that may be provided for the farmer? First, a subsidy in the form of a debenture or in some other form, or a reduction of the tariff upon the numerous manufactured articles which the farmers are compelled to buy, the result of which tariff augments the price of those articles the farmers are compelled to buy and therefore creates a greater disparity between the price of the things which he has to buy and the things which he has to sell.

Mr. NORBECK. I shall try to make myself clear. I do not consider either the tariff or the so-called surplus the cause of the difficulty, for agricultural deflation came during a period of a low tariff and not during the period of a Republican tariff. No doubt the tariff—

Mr. THOMAS of Idaho. Mr. President, may I ask the Senator from Utah a question?

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Idaho?

Mr. NORBECK. I will yield when I have replied to the Senator from Utah.

Mr. THOMAS of Idaho. Very well.

Mr. NORBECK. The tariff cuts both ways. On some commodities it adds to the farmer's burden, while other farmers are benefited by the tariff. It is a very complex question. My thought is that the farmer's troubles are due to the increased price of what he buys, both service and material. The tariff may be a contributing cause in some respects, but I do not see how we are going to solve the farm problem by taking off the tariff. If that shall be done, we will be back where we were in 1921 when we had a low tariff.

Replying further to the Senator from Utah, I will say that I referred to the debenture plan as one method by which it would be possible to segregate the exportable surplus from that consumed in the American market. I can think of no way to insure an American price for the American farmer except by a debenture plan or an equalization fee.

I will now yield to the Senator from Idaho.

Mr. THOMAS of Idaho. Mr. President, I merely wish to ask the Senator from Utah to inform us what particular articles the farmer buys are protected.

Mr. KING. Mr. President, it would not be proper in the time of the Senator from South Dakota for me to answer questions that might be propounded to me; I think that would be abuse of the courtesy which has been extended. If I shall take the floor later, I shall be very happy to be interrupted by my dear friend from Idaho.

Mr. THOMAS of Idaho. As a matter of fact, practically everything the farmer buys in order to operate his farm is now on the free list.

Mr. McMASTER. Mr. President, just the reverse of that statement is true.

Mr. THOMAS of Idaho. Will the Senator from South Dakota explain his statement?

Mr. McMASTER. I will be glad to explain it when the Senator from South Dakota shall have concluded.

Mr. KING. I do not agree with the Senator from Idaho at all.

Mr. NORBECK. Mr. President, I appreciate the courtesy of my colleagues and will soon conclude my remarks.

During 1928 each Member of Congress received a complimentary copy of a book entitled "Farm Relief," by Prof. James E. Boyle, professor of rural economy, New York State College of Agriculture. The book bears evidence of having been carefully prepared, especially with reference to the farm legislation then pending, known as the McNary-Haugen bill (to make the tariff effective by an equalization fee). Professor Boyle showed much antagonism toward this measure. His clinching argument seemed to be the fact that the benefits would be unequally distributed among the farmers. He proves this by showing the difference in the yield of wheat in two counties in North Dakota for a certain year. He selected one of two counties that had a fair crop, and another one where the crop was very light owing to drought, and he succeeded in proving to his own satisfaction that the farmers in the drought-stricken area would not get the full benefit of the McNary-Haugen bill. In other words, I think he proves conclusively that the McNary-Haugen bill would not equalize the rainfall over all parts of North Dakota; therefore it should not be enacted into law.

These arguments seem ridiculous, but they are no more so than others that were advanced against that measure, one of which was that it would work a great profit to the millers. The answer to this is that the big millers had their lobbyists here opposing the measure.

Again, we were told that better prices of farm products would increase the cost of the farmer's living. Of course it would. The butter he consumed and the potato he ate would be more valuable than otherwise. What of it? Such arguments simply show how desperately driven the opposition were to find reasons for opposing the farm relief measure.

CANADIAN WHEAT POOL

One of the strong arguments advanced for the pending bill, which has passed the House without the debenture feature, is that there is provision for stabilizing the price. The Canadian wheat pool is often referred to as a great example of the success in this line. I spoke at length the other day on the wheat pool and shall be brief this time.

I admit this particular pool has been quite successful. I think the best testimony as to how much it has done for the farmer was given by Mr. MacPhail, president of the Canadian pool, who appeared before the Committee on Agriculture at the hearings on the farm bill. He stated there had been rebated, or refunded, to the pool members 1½ cents per bushel last year and 2 cents the year previous. On the other hand, there was deducted 2 cents per bushel each year on wheat belonging to the pool members, for the purpose of making permanent investment in such facilities as grain elevators. Mr. MacPhail also believed that there were some additional, though intangible, benefits received in the way of better prices for wheat exported, but he said frankly that the greatest benefit to the Canadian wheat farmer was the spirit of cooperation that had developed.

Mr. MacPhail impressed the committee as being a fair-minded and capable man, who was able to give a very good account of his work. He also told us that their experience in organizing cooperatives has been that it was easier to organize a newly settled country. It must also be borne in mind that the major income of the Canadian farmer comes from the production of wheat. It is his main crop, about his only crop. Naturally, he is deeply concerned and is anxious to handle his marketing in a way that will be helpful to himself and the community.

One of the discouraging features Mr. MacPhail related was that nearly one-half of the farmers were still outside the pool. It was explained that they were probably enjoying most of the benefits received by pool members without any expense to them. Some remain out for selfish reasons, and others because they are not so situated financially that they can sell their grain through the pool.

Mr. MacPhail also admitted that possibly the American farmer was enjoying the benefit of the stabilization in the world market resulting from the Canadian wheat pool. Our hope of getting an additional 20 or 30 cents per bushel through a stabilization corporation is certainly a vague hope. If it actually gave us 1 or 2 cents per bushel we should feel that it had proven a success.

Mr. COPELAND. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from New York?

Mr. NORBECK. I yield.

Mr. COPELAND. In all the discussion about the comparative conditions between Canada and the United States I have heard no reference made to the fact that the freight rates in Canada give the Canadian wheat grower a tremendous ad-

vantage over the American wheat grower. Take the rate, for instance, from Saskatchewan and Alberta to the lake head, which is 26 cents, while the rate from Montana, the same distance to the lake head, is 44 cents; so the Canadian wheat farmer has an immediate advantage of 18 cents on the sale of his export wheat. Whatever advantage the farmer in Canada has over the American farmer in that particular is due to the fact that the nationally owned railroads of Canada have given him this advantage in rates. So it is not fair at all to attribute such prosperity as the Canadian farmer has over the American farmer to pooling or cooperative selling. The advantage which the Canadian wheat farmer has in the world market lies wholly or largely—there is another element, in fact, two other elements, one being the fact that their land is richer than ours, though their labor costs more—in the fact that his wheat is transported to the lake head at a price which is practically the same as the amount which the American farmer would receive under the debenture plan. That, in my opinion, is what has given the Canadian farmer the advantage over the American farmer.

Mr. CARAWAY. Mr. President, will the Senator yield?

Mr. NORBECK. I will yield in a moment. I thank the Senator from New York for bringing this matter to our attention. I desire at this time to ask unanimous consent to have printed in the RECORD page 28 of Public Document No. 219, Seventieth Congress, second session, showing the saving of the wheat grower of the Canadian Northwest as compared to our Northwestern States.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

TRANSPORTATION CHARGES IN UNITED STATES AND CANADA

In direct response to Senate Resolution 208, asking for information as to specific relative rates, the Interstate Commerce Commission in its report gives the following figures:

From—	To—	Miles	Rate
			<i>Cents</i>
Fargo, N. Dak.	Duluth, Minn.	252	16.5
Devils Lake, N. Dak.	do.	384	19.5
Lydiatt, Manitoba	Fort William, Ontario	389	14.0
Bismarck, N. Dak.	Duluth, Minn.	446	23.5
Meadows, Manitoba	Fort William, Ontario	442	15.0
Glasgow, Mont.	Duluth, Minn.	779	35.0
Regina, Saskatchewan	Fort William, Ontario	776	20.0
Billings, Mont.	Duluth, Minn.	893	39.5
Morse, Saskatchewan	Fort William, Ontario	892	22.0
Bozeman, Mont.	Duluth, Minn.	1,033	42.0
Estuary, Saskatchewan	Fort William, Ontario	1,036	24.0
Havre, Mont.	Duluth, Minn.	932	39.5
Cantuar, Saskatchewan	Fort William, Ontario	941	23.0
Helena, Mont.	Duluth, Minn.	1,131	44.5
Grassy Lake, Alberta	Fort William, Ontario	1,125	25.0
Kalispell, Mont.	Duluth, Minn.	1,195	48.0
Lethbridge, Alberta	Fort William, Ontario	1,177	25.0

Relative grain rates on United States roads and Canadian roads have been given in detail above as they apply to movement eastward. In the report by the Interstate Commerce Commission, in response to Senate Resolution 208, however, there are given certain representative comparative rates on the movement of grain westward from points in Canada and in the United States. The export rates on wheat from various points in Montana and Washington to Seattle and corresponding rates from points in western Canada to Vancouver are as follows:

From—	To—	Miles	Export rate
			<i>Cents</i>
Lewiston, Mont.	Seattle, Wash.	505	32.0
Amisk, Alberta	Vancouver, British Columbia	903	24.0
Cardell, Saskatchewan	do.	889	24.0
Great Falls, Mont.	Seattle, Wash.	866	32.0
Killam, Alberta	Vancouver, British Columbia	863	25.0
Havre, Mont.	Seattle, Wash.	871	32.0
Sedgewick, Alberta	Vancouver, British Columbia	870	25.0
Helena, Mont.	Seattle, Wash.	773	31.5
Wilson, Alberta	Vancouver, British Columbia	780	22.0
Kalispell, Mont.	Seattle, Wash.	637	32.0
Turner, Alberta	Vancouver, British Columbia	648	20.0
Wycliffe, British Columbia	do.	650	21.0
Calgary, Alberta	do.	642	20.0
Missoula, Mont.	Seattle, Wash.	536	29.0
Morley, Alberta	Vancouver, British Columbia	599	19.0
Sand Point, Idaho	Seattle, Wash.	465	51.0
Spokane, Wash.	do.	312	24.0
Walla Walla, Wash.	do.	320	20.5
Wenatchee, Wash.	do.	165	19.5
Yakima, Wash.	do.	161	18.0

¹ Since reduced to 17.5.

These illustrative rates show a substantially lower rate level in Canada, applicable to export grain and taking mileage into consideration, than the rate level established by the carriers under the supervision of the Interstate Commerce Commission.

Mr. NORBECK. The Senator from New York has brought out the fact that in the Dominion of Canada there is a better equalization between industry and agriculture. The new conditions that arose at a certain period, which added to the cost of manufactured goods, were passed on—and probably unavoidable—to the farmer in the Canadian Northwest Provinces, but the advantage accorded by a lower freight rate tends to offset the inequality.

TARIFF ON WHEAT

A number of years ago a better price for wheat prevailed on the American side than on the Canadian. The 30-cent tariff was partly effective on hard wheat along the border. The Canadian farmer smuggled wheat over on our side of the line whenever he could to get 10 or 12 cents additional price, but since the material reduction in freight rates on the Canadian side this advantage has been offset. If there is any smuggling now, it is the American farmer bootlegging his wheat into Canada.

I now yield to the Senator from Arkansas.

Mr. CARAWAY. Mr. President, I was merely going to call the attention of the Senator from New York to the fact that the advantage in freight rates does not increase the price that the Canadian farmer receives for his wheat, although it may increase his profit. He gets a higher price for wheat, but that is not the result of the freight rates; and the Senator from New York, of course, is aware of that fact.

Mr. COPELAND. Of course, the Senator from Arkansas does not deny, if the Senator from South Dakota will permit me to interrupt him further, that it is a tremendous advantage to the Canadian farmers to be able to get their wheat to the Liverpool market for a much lower freight rate.

Mr. CARAWAY. That affects his profit, but does not increase the price he receives; and the price he receives is greater than the price received by farmers in this country.

Mr. COPELAND. I agree to that.

Mr. CARAWAY. Therefore, freight rates have nothing to do with the situation.

FALLACY

Mr. NORBECK. Our average production of wheat is 800,000,000 bushels. The domestic consumption is three-fourths of that amount, leaving available for export about 200,000,000 bushels. What we sell abroad very largely determines the prices on our domestic supply; therefore the demand on the part of the farmers for the segregation of the surplus. But we are met with the argument that we can not increase the domestic price without increasing the domestic production, even though wheat is produced without profit. But to suggest to us that we increase the world price by "stabilization," or some other contraption, is, of course, impossible, for we would meet that condition of competition which the President once described as "the cheap labor and more fertile lands of other countries." Our record shows that our prices have not led to increase in production at home, except under the pressure of war, when there was a demand for wheat to feed the soldiers. On the other hand, everybody admits that the world production readily increases in response to a better price. We are told not to attempt that which is difficult, but to try that which is impossible.

FALLACY NO. 2

It has become a habit to harp about threatened overproduction without any foundation on which to base such a statement. If the Members of Congress and the Department of Agriculture are agreed on any one thing it is that the agricultural depression is due to a disparity in price of what the farmer buys and what he sells—in other words, nothing will help him except a better price. And then comes the overproduction argument in again. I can not accept the logic that the farmer's difficulty is due to a reduced price, and if you give him a better price it will ruin him. If this is the situation, there is no use talking about any farm legislation. What magic can be invoked through the bill that has just passed the House? Is it intended to increase the farmer's prices or not?

A remarkable statement was made yesterday by the distinguished senior Senator [Mr. Fess] from Ohio, who is opposed to the debenture plan and who advocates the administration bill, or House bill. He does not claim much for it. He admitted the farmer's plight, but he did say if this did not work, nothing would work. To my mind, this is the equivalent of saying that nothing can be done for the farmer, but every Senator here will admit that the Government can continue to do something to the farmer, and possibly will. The fight for equality must be kept up if for no other purpose than to keep

the farmers from having additional burdens placed upon them by laws or monopolistic control of business.

LARGE UNIT CHAIN FARMING

Farmers are given much advice from the city sidewalks. Many suggestions for a solution are passed on through the daily press. A very common one is that chain farming is the solution—that it will bring greater efficiency and greater profits. The chain store is cited as pointing the way. The people who furnish the advice know very little about farming. It has not occurred to these people that this kind of farming invariably robs the fertility of the soil. It is in effect mining. It has been done a hundred times and has been successful on virgin soil and only for a few years. The disaster was inevitable—it always came.

Farming on a large scale with abundant capital and expert management has been tried repeatedly in the Northwest. The older members of the Senate will recall the famous Dalrymple wheat farm in North Dakota, where the fields were so large that the plowman could make only one round a day. The suggestion for chain farming is so unsound that it has no appeal to those who understand farming. If a farmer who owns his farm is industrious, economical, and understands his vocation can not make a wage, how is somebody else going to make it? I sincerely hope that a great many will try; it will add to the education of the country.

FARMER'S LIFE

Down on the farm, 'bout half past 4,
I slip on my pants and sneak out of the door;
Out of the yard I run like the dickens
To milk 10 cows and feed the chickens,
Clean out the barn, curry Nancy and Jiggs,
Separate the cream and slop all the pigs,
Work two hours, then eat like a Turk,
And, by heck, I'm ready for a full day's work.

Then I grease the wagon and put on the rack,
Throw a jug of water in an old grain sack,
Hitch up the horses, hustle down the lane,
Must get the hay in, for it looks like rain.
Look over yonder! Sure as I'm born,
Cattle on the rampage and cows in the corn!
Start across the medder, run a mile or two,
Heaving like I'm wind-broke, get wet clear through,
Get back to the horses, then for recompense
Nancy gets straddle the barbed-wire fence,
Joints all a-aching and muscles in a jerk,
I'm fit as a fiddle for a full day's work.

Work all summer till winter is nigh,
Then figure up the books and heave a big sigh,
Worked all year, didn't make a thing;
Got less cash now than I had last spring.
Now, some people tell us that there ain't no hell,
But they never farmed, so they can't tell.
When spring rolls 'round I take another chance,
While the fringe grows longer on my old gray pants,
Give my s'penders a hitch, my belt another jerk,
And, by heck, I'm ready for a full year's work.

Get some hired man to keep up with this program, pay him time and a half for overtime, double time for Sundays, and the farm of the future will have to be endowed like a college, if it is to continue in operation.

GOVERNMENT BOARDS

The big hope back of the House bill lies in a "Government board with broad powers" with some money to loan. It is going to be a different Government board than we have ever had. It is going to be a perfect board—no incompetency, no bad motives, no human errors. It is to work like magic now and forever. The members of the board are to be appointed by the President, elected by a majority of the people, but the board is to take up the battle for the minority—that is the farmer—and make the majority pay more for the products they buy. When vacancies develop they are to be filled by perfect men, no matter who happens to be President at the time, and upon these assurances we are expected to place the fate of agriculture in the powers of a Government board—now and forever.

Our memory is short. It was through the action of Government boards that the price of wool was reduced from 72 cents to 15 cents in one day. Oh, they just blundered; I guess that was all. Agriculture paid the penalty. If the market had been left alone, it would, of course, have gone down, because wool was too high, but it would have gone down gradually. The losses would have been spread over a longer period, and maybe the price would have gone down to only 30 cents instead of 15 cents.

It was a Government board that brought on the inflation during and following the war—the Federal Reserve Board. They encouraged unnecessary borrowing and made land speculations possible. It was the same board that suddenly reversed its policy and demanded payment from the farmer, which he could not quickly meet; in other words, brought on the deflation. The people of my State do not believe that the benefits to be derived from the Federal reserve bank will in a hundred years equal the damage that was wrought.

It was the action of the Government through Congress, and a Government board that increased the freight rate to the point where the American farmer in the interior can not compete with the Canadian wheat producer.

I have never known of a Government board living up to its expectations. Why should I hope that the proposed farm board will? I am afraid it will prove to be a great disappointment—at least to the great farming section in the interior. I also notice that fruit raisers and vegetable growers are protesting against this bill.

The board must either follow very conservative lines and make loans carefully, or else it must take chances of losing their money. If they speculate in the wheat market, even for the purpose of raising the price, they are liable to pay the same penalty as other speculators. The board may venture into uncharted seas, and have troubles without number and make mistakes without parallel.

The board may, from motives good or bad, give financial encouragement to the strife that is now in evidence among certain cooperatives; or rather, among the organization leaders than its members. The bill may in fact prove to be a measure to finance such strife.

I am only speculating, but I can easily foresee that the board may proceed slowly and carefully for a number of years without getting much result, and then feel impelled to take additional risks in stimulating the American market, and with the funds available, be successful for a limited time. I will admit this fund could be used to temporarily stimulate the speculative market, but I dread the penalty that will follow. I do not want the farmers blamed for the consequences of such losses as may result.

THE MANDATE OF THE 1928 ELECTION

In discussing this agricultural problem we are often reminded that the voters gave the present administration a mandate in regard to this particular question. I have been unable to figure out any justification for the claim. As I have previously stated, the agricultural question was not prominent during the campaign—other matters were. In studying the election returns we should consider not only the votes cast for the presidential candidate. This had narrowed down to two candidates; it had to be one or the other. But we should also study the vote cast for Members of Congress. If we do, we will find the voters apparently approved in one case and disapproved in the other. A majority of our voters saw no hope in the Democratic Party; therefore they voted the Republican ticket. That does not mean they agree with the Republicans in all things.

President Hoover received a splendid indorsement, the most remarkable indorsement of any presidential candidate within my memory; and while I disagree with him on the solution of the agricultural question, I expect great things from him. I am in hearty accord with his law-enforcement views. I hope and believe his administration will show much progress as regards disarmament. I feel certain there will be an efficient reorganization of Government departments—but that is only part of the story.

A closer study of election returns will reveal the fact that every Member of this body who is classed as a radical, a progressive, or near progressive was returned with an increased majority, no matter what party he belonged to or from which State he hailed.

The effort of some Republican leaders to send the Senator from Montana [Mr. WHEELER] to the penitentiary resulted in his reelection as a Democrat from a Republican State with a large majority.

It was well known to the voters of Washington that the Democratic Senator from that State [Mr. DILL] was not going to join the "regular" Republicans. He had evidenced great independence, both as a Member of the House and of the Senate. He proclaimed that independence and the voters, without regard to party, indorsed him with a large majority at the same time as they voted for Mr. Hoover for President.

A few years ago the highly respected Senator from North Dakota [Mr. FRAZIER] was read out of the Republican Party by a Republican Senate caucus as a punishment for his irregularity, but the Republican voters of North Dakota had the final voice in the matter and gave him a vote of confidence. They returned him to the Senate with an overwhelming majority.

Mr. President, to those who think that the last election gave a mandate to the party leaders to carry out the proposed program, I would call attention to the election returns from the great Republican State of Minnesota, where the able Senator, Mr. SHIPSTEAD, campaigned without money, without an organization, and almost without a party. He carried every county in the State and was returned with a majority of 325,000. Is not this a warning instead of a mandate?

I call attention to the election in the State of Wisconsin, which gave a small majority to the Republican national ticket and reelected Senator LA FOLLETTE, the son of the noble sire, with a vote that indicated he was practically the unanimous choice of the State. This record can not be ignored.

If anyone still has the illusion that the last election was an indorsement of the reactionary group in the Republican Party and a mandate to do as they please, I suggest they read the election returns from the great State of California, where the senior Senator, Mr. JOHNSON, was a candidate for reelection. Party leaders had frequently charged him with irregularity. He admitted it. They shouted from the housetops that he had not been loyal to the party. They proved he had gone with the Bull Moosers at one time. They falsely charged him with defeating the Republican national ticket in 1916. He was opposed by the Power Trust and the large vested interests that are strong in the State. He had political enemies in every county—yes; in almost every precinct. The message came across the mountains that we would hear no more of him after the 4th of March. But he is right here again this time, with an indorsement from the voters such as had never been given him before. His majority rolled up with nearly that of a million. What about the mandate we have been hearing so much about?

Mr. CONNALLY obtained the floor.

Mr. SHEPPARD. Mr. President, will the Senator yield to me for a moment?

Mr. CONNALLY. I yield.

Mr. SHEPPARD. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ONDIE in the chair). The absence of a quorum is suggested. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Allen	Fletcher	King	Simmons
Ashurst	Frazier	La Follette	Smith
Barkley	George	McKellar	Smoot
Bingham	Glass	McMaster	Steck
Black	Glenn	McNary	Steiwer
Blaine	Goff	Moses	Thomas, Idaho
Blease	Gould	Norbeck	Thomas, Okla.
Borah	Greene	Norris	Townsend
Bratton	Hale	Nye	Trammell
Brookhart	Harris	Oddie	Tydings
Broussard	Harrison	Overman	Tyson
Burton	Hastings	Patterson	Vandenberg
Capper	Hatfield	Pine	Wagner
Caraway	Hawes	Pittman	Walcott
Connally	Hayden	Ransdell	Walsh, Mass.
Copeland	Hebert	Reed	Walsh, Mont.
Couzens	Heflin	Robinson, Ark.	Warren
Cutting	Howell	Robinson, Ind.	Waterman
Deneen	Johnson	Sackett	Watson
Dill	Jones	Schall	
Edge	Kean	Sheppard	
Fess	Keyes	Shortridge	

The PRESIDING OFFICER. Eighty-five Senators having answered to their names, a quorum is present.

Mr. McKELLAR. Mr. President, I present a very thoughtful letter on the farm relief bill from the pen of Mr. Leon Sternberger, of Memphis, Tenn., and I ask unanimous consent to have it placed in the Record for the consideration of Senators.

There being no objection, the communication was ordered to lie on the table and to be printed in the Record, as follows:

MEMPHIS, TENN., April 30, 1929.

HON. KENNETH MCKELLAR,
Washington, D. C.

MY DEAR SENATOR: Your letter of the 27th to hand and we thank you very much for sending copies of the proposed agricultural bill, which have not as yet reached us, but trust will be received in the next day or two, for we are very much interested in the provisions contained in the measure. However, for fear that the copies will not be received in time for consideration, and as I understand the bill will be voted on the coming Friday, I am taking the privilege of addressing you in reference to some vital items contained in the measure, which I notice through newspaper publications have been proposed.

It seems from what I can learn concerning the bill that the relief which is supposed to emanate from the measure and the placing in operation of the machinery to obtain the relief is mainly through cooperative associations and farm control stabilizing organizations. Of course, it is impossible to predict the efficacy of any untried measure that is enacted for this purpose, and all that can be done is to enact such legislation as is thought will produce the desired results. In

this connection my idea in making a suggestion is not to depreciate the cooperative association in this work but to place before you another agency which is and has been most active in behalf of agricultural industry. The agency I desire to refer to is the commission merchant, which agency as far as cotton production and marketing are concerned has been most effective in its endeavors for the benefit of the cotton producer. Moreover, President Coolidge recognizing the importance of this factor in aiding any relief legislation stressed most vehemently in his speech before the National Grange last fall: "The operations and the use of the Federal reserve bank, Federal loan banks, cooperative marketing associations, and commission merchants as a panacea for relief of the agricultural depression," which has obtained for so many years throughout the farming sections of the United States.

Furthermore, when cotton was selling around 5 to 6 cents in the fall of 1926, and the South was confronted with financial disaster brought about by a second huge cotton crop to market, which was selling far below the cost of production, it was, as a remedy for this undesirable situation, suggested by the Government that cotton loan corporations be organized throughout the cotton growing States to take from the market the surplus and hold it indefinitely. To carry out this plan, Mr. Eugene Meyer, of the War Loan Board, and other gentlemen connected with the Agriculture Department, were sent by the President through the South to explain the efficacy of such organizations. These gentlemen visited Memphis and after explaining the operations of the loan agencies, which made a most favorable impression upon a large gathering of bankers, farmers, and merchants who attended the conference, it was decided then and there to organize a loan organization here with a capital of \$6,000,000. The corporation was perfected, and the board of directors decided that the cotton commission merchants being familiar with the marketing and production of cotton in all of its different phases, and being in close contact with the farming element, that all cotton placed in its hands should be under the direct supervision and control of responsible cotton commission merchants. In addition to this, if the present methods pursued by the cotton cooperative associations are compared with those utilized by the commission merchants, it will be ascertained that there is but little difference in their methods of operation, and for your information, and as far as I can learn, the operations of the cotton commission merchants and cooperative associations are conducted along the lines and purposes as follows:

First. Both agencies conduct their activities for the interest of the producer, feeling if he is prosperous the whole country will prosper, too; and which will mean success for their organizations.

Second. Both agencies advocate orderly marketing of the cotton crop and are opposed to the dumping of this commodity regardless of price and conditions surrounding the market.

Third. Both agencies favor diversification of crops and believe in the principle of safe and sane farming, which means the farmer should grow all of the necessities which can be grown in his particular section on his farm.

Fourth. Both agencies recognize that the interest of the producer and manufacturer should be closely allied and that the freezing-out process which at times obtains to control the price should never be permitted by either faction. To the contrary, the rights and interest of both parties should be reconciled and considered by the farm board of control in which the board could rely upon having the loyal support of both agencies and other organizations selected for placing the relief measure in operation.

Fifth. Both agencies extend financial aid to farmers to enable them to conduct their operations upon a basis of charges which are reasonable, and such advances are made in a manner conducive to the very best interest of all concerned.

You will please note from the above how very similar the operations of commission merchants and cooperative associations are conducted; therefore it would be a grave injustice to the former if they were excluded by legislation from participating in the proposed relief measure. Besides, nearly all responsible commission merchants in this city have in their organizations planters who farm extensively and are naturally intensely interested in legislation which will aid the agricultural industry.

Of course, you will understand my motive in addressing you is in behalf of utilizing the services of commission merchants in the proposed relief legislation, for I am more familiar with their direct relationship in the cotton industry than their connection with other agricultural commodities, and it is with the hope that if the important services of this valuable agency is not included in the bill, that wherever in the measure there is indicated the utilization of cooperative associations for executing the provisions of the bill, there should be added "commission merchants and other responsible agencies which are closely connected with the agricultural industry."

I trust that you will not think me presumptuous in offering the foregoing, and hope that if you find my recommendation feasible and logical that you will use your efforts in behalf of the commission merchant as a constructive agency to assist in conducting the operations of the proposed bill in the event of its enactment into law.

Assuring you of my highest esteem; and with regards, believe me to be,

Sincerely yours,

LEON STERNBERGER.

Mr. CONNALLY. Mr. President, in view of the short time I have been a Member of this body, I should not so soon lift up my voice in this Chamber were it not for the fact that I, in part, represent one of the greatest agricultural States in the Union, and its interests are vitally concerned in the legislation now pending. I probably should not have the courage even under those circumstances, were it not for the fact that heretofore I voted against the so-called McNary-Haugen bill. That measure was opposed on account of the equalization fee, which I regarded as an unlawful and burdensome tax upon the farmer. However, I am heartily in favor of the measure that is now pending before the Senate.

I congratulate the chairman of the Committee on Agriculture and Forestry and that committee for reporting this bill, including what is known as the debenture plan. Frankly, I believe without the inclusion of that plan it will give little aid to agriculture. While I am opposed to the amendment offered by the Senator from Indiana [Mr. WATSON] to strike that plan from the bill, I shall support the measure regardless of the fate of the amendment. I am anxious to secure relief for the American farmer and I shall take whatever I can get, imperfect though it may be.

Mr. President, I shall not consume the time of the Senate in picturing the depressed condition of agriculture. These walls have rung for six or eight years with vivid and lurid descriptions of the dire distress of agriculture. All parties acknowledge it, political parties and economic parties. All political parties have promised the farmer to do something to lift him out of the distress in which he has been plunged.

What have been the arguments proposed by every party? When I say party I do not mean that this question should here to-day be decided upon a partisan or political basis. I believe that the Congress ought to be more concerned with what is a practical and fair measure to agriculture than as to what the President may not have said, or what he did say, at Elizabethton, Tenn., or at any other time during the campaign. I do not propose to approach this question from a partisan or political standpoint.

I believe that it is the duty of the Congress, if it acknowledges the condition of agriculture and if it recognizes the binding effect or character of our promises, to do that now which it believes will afford the best remedy for the real distress of the American farmer.

What have been the arguments proposed and what are the causes of agricultural depression? It has been generally agreed by all who have proposed the various forms of farm relief that the chief trouble with the farmer is that he is not upon an economic plane of equality with manufacturing, industry, or commerce, or transportation. What is the cause of that condition? It has been agreed by Republicans, as well as Democrats, that the fundamental trouble with the farmer is that he must sell his agricultural products, those of which he produces an exportable surplus, in a world-free market, in which he must meet the competition of every nation on this earth, but that, on the other hand, when it comes to the purchase of articles which he must consume, he is condemned to buy those articles in a domestic market highly protected with artificial values created by force of law.

His other complaint has been that on account of high freight rates and the tremendous distances of this far-flung country he has been unduly taxed as to the fruits of his fields, and he can not successfully compete with foreign lands when he produces an exportable surplus. If those are the causes of agricultural deflation, how are we going to remedy them? I do not believe that the mere lending of more money to the farmer will have any appreciable effect upon aiding his condition. What the farmer now needs is not the borrowing of more money but some plan that will put more money into his purse in order that he may meet the obligations which he has already incurred.

Mr. President, if that is the condition of agriculture—and that is the condition that has been acknowledged by the Congress, the Senate and the House, and by all political parties in this country—what are we going to do about it, and how?

I was amused on yesterday by the Senator from Ohio [Mr. FESS]. He is recognized as one of the spokesmen of the administration, not simply of this administration, but of the last administration. He gave up reluctantly the last administration, but he is ready to embrace the new one. The Senator from Ohio was trying to make out a case that the administration

had not promised the farmer anything similar to that which is contained in the export debenture plan.

The Senator from Iowa [Mr. BROOKHART], however, extorted from the Senator from Ohio the admission that the Republican platform in the last campaign contained this plank:

The vigorous efforts of this administration toward broadening our exports market will be continued.

The Republican Party pledges itself to the development and enactment of measures which will place the agricultural interests of America on a basis of economic equality with other industries to insure its prosperity and success.

The Democratic Party is similarly pledged. So that both parties are pledged to do what? To put agriculture on an economic equality with industry in this country. How can that be done? One of the problems which is incidental to that question has to do with the fact that all of our farm relief bills have undertaken to dispose of the exportable surplus, and any solution of the farm problem must recognize that that is one of the major considerations in the whole agricultural question.

How can these two issues be met? You can not apply the tariff with benefit to any agricultural crop of which we produce an exportable surplus. With the two major crops—wheat and cotton—an import tariff is of no benefit to the farmer, because we do not import those articles; we export them. We now have a tariff, I believe, of 42 cents a bushel on wheat, but the trouble with the tariff on wheat is that it does the farmer no good, because, instead of building a wall around his domestic market and excluding foreign competition, and thereby raising his price, as is the case with articles of which we produce less than we consume at home, his surplus compels him to ship out 200,000,000 bushels of wheat each year, to find markets in foreign lands, and every bushel of that wheat must compete with foreign wheat. It is so with cotton. So a protective tariff can not help the farmer as to any product of which he produces an exportable surplus. The tariff can not help.

What can help? I advance the proposition that the export debenture plan is the one plan that can help both to dispose of the exportable surplus for the farmer, and at the same time place him somewhat upon a plane of equality with industry. Let us see why that is true.

If we have an exportable surplus of wheat, for instance, more of that agricultural product than we need here at home, what is the best thing to do with it? Take it out to sea and sink it, then engage the next year in spending more money and more labor in producing more wheat? No. The thing to do is to ship it abroad, get it out of the United States, sell it to foreign countries, and, by the one process, decrease the supply at home, raise the price to the American farmer in his own market, and stimulate exportation and the building up of our foreign trade. How can that be done in one process? Simply by the provisions of this bill, which define and give to the Federal farm board the power, whenever it sees fit, to place into operation what is known as the export debenture plan.

That plan provides for the issuance by the Treasury Department of export debentures of one-half of the tariff rates on most agricultural products, and, in the case of cotton, a specific rate of 2 cents per pound, because of the fact that there is no tariff on that staple. Such certificates are to issue on agricultural products exported to foreign countries and are payable to bearer.

What is the theory of the export debenture plan? That plan is based upon the theory that since the farmer must sell his goods in a world free competitive market he should in theory be allowed to exchange his products in that market for manufactured goods and bring them back into the United States duty free. But in order to obviate the mechanics and the practical obstacles which would be met in such a plan, it is provided that when he exports his products the Treasury will issue him a certificate, and he can tender that certificate at the customhouse in payment of one-half of the tariff duties upon an equal amount of imported goods.

What is that, Mr. President, except turning the tariff around? What is the tariff for? The tariff primarily is for raising the price. The tariff is for the stimulation of domestic industries by shutting out foreign importations, at least to an extent, and thereby raising the domestic price of manufactured articles. But that is impossible in the case of the major agricultural products. Then how are we going to make it effective? We give the manufacturer a tariff on his imports. Why not give the farmer a tariff on his exports when he has to export those goods into foreign countries?

So the export debenture system is simply a plan of turning the tariff halfway around in order to benefit the farmer. If it is fair to give the manufacturer a bounty on what foreigners would bring in for the benefit of the domestic manufacturer, why is it

not fair, by the same course of reasoning, to give the farmer half of that tariff rebate or bounty, if you please, upon the exportation of his products to foreign lands?

If a manufacturer can not compete in the domestic market with importations, we give him a protective tariff in order that he may do so. If the farmer can not compete in foreign countries with his products, of which he has an exportable surplus, why not give him a tariff in order to enable him to compete in the foreign market?

The farmer can not compete successfully in the foreign market. His products in the foreign market, of course, when carrying charges and freights are deducted, are of lower value than they should be in the domestic market.

We hear a great deal of talk about stabilizing the price. We hear a great deal of oratory and statesmanlike utterances about orderly marketing, and about stabilization corporations, and one mouth-filling phrase about "farmer-owned" and "farmer-controlled" organizations.

These things are good so far as they go. But I want to say that, according to my view, the one thing the farmer needs, and the one thing the farmer wants, is something that will increase his price. Any remedy short of an increase of the price to the farmer is not going to meet the expectations which he entertains and is not going to fulfill the promises which this Congress and the administration have made.

Let us see if the debenture plan will raise the price. It is not denied by economists and by others who have treated the subject from an economic standpoint that the domestic price as well as the foreign price of agricultural products will be enhanced practically to the extent of the export debenture. The fact that they may be discounted when sold to importers is true, but that discount will be small. It will not be appreciable. Sweden has in effect the plan of issuing export debenture certificates and the Government guarantees to redeem them at 98 cents on the dollar. The result is they have not been so redeemed. The exporters give 99 or 100 per cent in order to secure the advantages which cash sometimes does not possess.

It will raise the price. There is no question about that. It will also stimulate exportation because if the exporter can receive at the customhouse a debenture certificate for the exportation of an agricultural product to a foreign country, it will stimulate exportation and will cause a competitive buying between the exporters and the domestic consumers, and as a result the level of prices on the domestic article will rise to the level of the foreign price plus the amount of the debenture less the freight and carrying charges.

I hold in my hand a copy of the Annals of the American Academy of Political and Social Science. This copy contains a number of very illuminating articles, one by Professor Stewart, of the University of Illinois, upon the export debenture plan and other plans for stabilizing agricultural products or fixing their prices. It is the unanimous opinion of the economists writing these articles that the debenture certificates will have the effect of raising the price of the farmer's product practically the entire amount of the debenture certificate.

Let us see what is the history of the debenture system. Some Senators speak of it as if it were some new device, some unheard-of proposal which had never had any trial in other lands. The truth of the matter is that England as long ago as 200 years adopted a plan for the encouragement of the exportation of grain from England into foreign lands. These laws later became known as the corn laws. I hold in my hand a photostatic copy of an act of the British Parliament of 1685. I want to read only one or two lines of the preamble or introduction:

1685. Forasmuch as it has been found by experience That the Exportation of Corn and Graine into Forreigne Parts when the Price thereof is at a low Rate in this Kingdom hath beene a great Advantage not onely to the Owners of Land but to the Trade of this Kingdome in generall, Bee it therefore Enacted by the Kings and Queens most Excellent Majestys—

And so forth. It fixed a rate on barley of 7½ cents, on wheat of 15 cents, and other grains in proportion. I ask permission to have the entire law printed as a part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

CHAPTER XII.

An act for the encouraging the exportation of corne.

Forasmuch as it hath beene found by experience That the Exportation of Corne and Graine into Forreigne Parts when the Price thereof is at a low Rate in this Kingdome hath beene a great Advantage not onely to the Owners of Land but to the Trade of this Kingdome in Generall Bee it therefore Enacted by the King and Queens most Excellent Majes-

ties By and with the Advice and Consent of the Lords Spirituall and Temporall and of the Commons now Assembled in Parlyament and by the Authoritie of the same That when Malt or Barley Winchester Measure is or shall be at Foure and twenty shillings per Quarter or under Rye at Two and thirty shillings per Quarter or under and Wheate at Eight and forty shillings a Quarter or under in any Port or Ports of this Kingdome or Dominion of Wales Every Merchant or other Person who shall putt on Shipp-board in English Shipping the Master and Two thirds of his Mariners at least being Their Majestyes Subjects any Sorts of the Corne aforesaid from any such Ports where the Rates shall not then be higher then as aforesaid with Intent to Export the said Corne to Parts beyond the Seas Every such Merchant or other Person shall bring a Certificate in Writeing under his or their Hands containing the Quantity and Quality of Corne soe shipped to the Farmers Commissioners Collectors or other Persons appointed or to be appointed for the time being to Collect the Duties and Rates arising by Customs within any such Port and upon prooffe made of any such Certificate by one or more credible Person or Persons upon their Oaths which Oathes the said Commissioners or other Persons are hereby Authorized and Required to Administer and upon Bond given by every such Merchant or other Person in the Summe of Two hundred pounds at the least for every hundred Tuns of Corne soe Shipped and soe proportionably that the said Corne (Danger of the Seas excepted) shall be exported into Parts beyond the Seas and not to be againe Landed in the Kingdome of England Dominion of Wales the Islands of Guernsey and Jersey or Towne of Berwicke upon Tweede Every such Merchant soe Shipping off any of the aforesaid Corne and giving Certificate and Bond as aforesaid shall have and receive from such Farmers Commissioners Collectors or other Persons in any Port respectively where the same Corne shall be soe Shipped for every Quarter of Barley or Malt ground or unground Three shillings and six pence For every Quarter of Rye ground or unground Three shillings and six pence For every Quarter of Wheate ground or unground Five shillings Which Summe or Summes every such Commissioner Farmer or other Person are hereby Authorized and Required upon Demand by such Exporter to make present Payment of accordingly without taking or requiring any thing for Custome or any Fee or Reward for Corne soe Laden to be Exported or for soe much Grain as shall be Exported in any Shipp wherein any other Goods shall be Shipped Any Law Statute or Usage in any wise to the contrary notwithstanding And upon Certificate returned under the Common Seale of the Chiefe Magistrate in any Place or Places beyond the Seas or under the Hands and Seales of Two knowne English Merchants upon the Place that such Corne was there Landed or upon Prooffe by credible Persons that such Corne was taken by Enemies or perished in the Seas the Examination and Prooffe thereof being left to the Judgement of such Commissioners Farmers Collectors or other Persons which Prooffe being made or Certificate delivered to such Person or Persons respectively as tooke Bond as aforesaid the said Bond shall be delivered up to such Importer or his Order to be Cancelled without any Fee for the same And the Moneys by any such Commissioners Farmers Collectors or other Person soe paid in obedience to this Act shall be accepted of in his or their Accompts as soe much paid to Their Majestyes and he and they is and shall be discharged therefore accordingly.

Mr. CONNALLY. Mr. President, that law in one form or another or in some form comparable to it remained upon the statute books of England for something like 100 years. Why was it repealed? It was finally repealed because England ceased to be an agricultural country having an exportable surplus, and then, because of her great increase in manufactures and the increase of her industrial population, she did not want longer to encourage the exportation to foreign lands of agricultural products; so it was repealed.

Germany to-day has in effect a form of export debenture on grain. That plan has worked successfully. Doctor Grunzel, of Germany, is authority for the statement that it has operated to raise the price approximately the amount of the certificate. I shall not take the time to read the comments of the economists who have contributed articles which demonstrate clearly the practicability and utility of that system in Germany at the present time. The Kingdom of Sweden also has a similar law providing for the encouragement of the exportation of grain of various kinds. Czechoslovakia has in operation a somewhat similar plan.

Mr. President, Alexander Hamilton, probably the greatest Secretary of the Treasury prior to Mr. Mellon that this country ever knew, advocated the export debenture for certain purposes. He did not call it export debenture; he called it export bounty; and, so far as I am concerned, I shall waste no time in discussing the niceties of distinction between an export bounty and an export debenture. I hold in my hand the report on manufactures of Secretary Hamilton in 1791. I want to quote very briefly from it. Speaking of agriculture and of manufactures he said:

The true way to conciliate these two interests is to lay a duty on foreign manufactures of the material, the growth of which is desired

to be encouraged, and to apply the produce of that duty, by way of bounty, either upon the production of the material itself or upon its manufacture at home, or upon both.

Discussing bounties in general, Mr. Hamilton said:

There is a degree of prejudice against bounties, from an appearance of giving away the public money without an immediate consideration, and from a supposition that they serve to enrich particular classes at the expense of the community. But neither of these sources of dislike will bear a serious examination.

That is Alexander Hamilton speaking. I want Senators to bear in mind the statement of Mr. Hamilton when they read the letter of Secretary Mellon attacking this plan, denouncing it as unsound and unworkable.

There is no purpose to which public money can be more beneficially applied than to the acquisition of a new and useful branch of industry, no consideration more valuable than a permanent addition to the general stock of productive labor.

Let us see what Mr. Hamilton said about the protective tariff on manufactured articles, of which he was an advocate:

As to the second source of objection, it equally lies against the other modes of encouragement, which are admitted to be eligible. As often as a duty upon a foreign article makes an addition to its price it causes an extra expense to the community for the benefit of the domestic manufacturer.

Mr. Hamilton was honest. Mr. Hamilton saw clearly that a bounty on exportable goods was no more a bounty than a tariff on manufactured goods when imported into this country. So when the argument is made against an export debenture that it is a bounty, I answer that it is no more a bounty than the whole protective tariff is a bounty when it gives to the manufacturer a higher price and extorts that profit out of the pockets of the people by force of law. Mr. Hamilton is authority for that proposition.

Mr. President, what are the objections to the debenture system? The President of the United States has sent a letter to the chairman of the Committee on Agriculture and Forestry. I refer to that letter, not because I desire to criticize the President, because I do not. I have high respect, not only for the occupant of the White House at this time but for that high station. But I address myself to the letter of the President because I assume that within that letter are set forth the real reasons which are going to actuate some Senators on this floor. I say that because of the fact that so many Senators have shown a zeal and a determination to do exactly what the President of the United States wishes that they shall do.

I am a little surprised that the President of the United States should have sent such a letter to the chairman of the Committee on Agriculture and Forestry, because only a few days previously the press carried the statement that the President, when approached by a subcommittee of the Committee on Agriculture and Forestry, speaking of the true concepts of the various branches of the Government, said that as President he did not intend to suggest to the Congress of the United States what character of legislation it should formulate.

He took the position, and properly so, that it was for Congress to formulate legislation and for the President to review it, either with his approval or by his rejection. But for some reason, or because of some influence, probably of those who wanted the strength of the President's position to buttress their own in this Chamber, the President sent that letter. I have no criticism to make of the President for sending the letter, because if it be true that Senators want to do what the President wants them to do, he ought certainly to be accommodating enough to tell them what he wants done.

What are the arguments that the President urges? I make these suggestions with all respect. The President said:

The issue of debentures to export merchants and their redemption in payment of export duties amounts to a direct subsidy from the United States Treasury, and that because of stocks in the hands of dealers a gigantic gift to such dealers would result.

In the first place, the board might avoid the payment of export debenture certificates to the owners of stocks already in existence if it saw fit to do so, but assuming that the President is correct, if the holders of agricultural commodities would receive a benefit through receiving export debenture certificates, would not the holders of agricultural products under any system which in fact raises the farmer's price receive a similar advance? If prices are raised by any law, will not those who have stocks in their warehouses receive such an advantage?

But the President said that this would amount to the payment of a bounty. I have already answered that proposition in advance by quoting from Mr. Hamilton, who said that a bounty to exporters is no more a bounty than the bounty upon

the manufactured articles which all the consumers of the land must pay.

What is the next argument of the President? He said:

If the increased prices did reflect to the farmer, the plan would stimulate overproduction.

The President says if the increased price should be reflected to the farmer the plan would stimulate overproduction. I submit that any plan which in fact raises the farmer's price, of course, will have a tendency to stimulate production. But what do we intend to do for the farmer? Do we want to raise his price? If we do not, there is no use of the Congress talking about farm relief any longer. If we are not to give him a better market, if we are not to increase the price of his product, then all of the professions which we have been making are false and the promises which we have put forth are repudiated.

Let me suggest that if we increase the price of a few articles only we would thereby stimulate the production of those articles, but when in effect we increase the price of all agricultural commodities there is no such danger of increased production. Why? Because each crop would then compete with every other crop, both in acreage and in the matter of production costs. In other words, marginal land which could be planted either to cotton or wheat or corn would go into that particular crop which, in view of production cost and price, should offer the greatest reward. While the acreage of corn might be increased, the acreage of cotton would be reduced, or, in the other case, the acreage of wheat would be reduced; and if we raise the price of all agricultural commodities in approximately the same proportion the danger of overproduction is almost entirely eliminated. But there is the one outstanding proposition that any plan on earth that raises the price of the farmer's products will meet the objection which the President levels at this plan. I am frank to say that unless we hope to raise the farmer's price, I see no occasion for this Congress to make a pretense of giving real farm relief.

What is the next argument? The President further states:

4. The stimulation of production of certain commodities would disturb the whole basis of diversification in American agriculture.

I submit that that argument has no substantial basis. If we increase the price of all agricultural commodities, probably on the same ratio, how will that affect the program of diversification? It would have practically the same effect upon every agricultural product that was so benefited. In the case of agricultural commodities of which we do not produce an exportable surplus the protective tariff may be applied, and the price thereby be increased; and as to the exportable surpluses the debenture plan may be applied, and thus the price of all agricultural products may be appreciably lifted without disturbing the pro rata or the ratio as to diversification of crops. I therefore submit that that argument advanced by the President will not stand the test of examination.

The President also states:

5. Although it is proposed that the plan should only be installed at the discretion of the farm board, yet the tendency of all boards is to use the whole of their authority, and more certainly in this case in view of the pressure from those who would not understand its possibility of harm.

The President argues against giving the board the power because it would exercise it. Of course, that is true. The power is given the board to be exercised when needed. The President has fallen under that same temptation himself in undertaking to impose his views upon the Senate and to enforce those views in advance of the formation by the Senate of its own legislation. I think, Mr. President, there is no argument in that suggestion, for if we place power in the hands of the board we shall place it there because we want the board to exercise the power. So the President's statement that the board would exercise the power is no argument against the plan in its basic and fundamental elements.

The President further states:

6. It is not proposed to pay the debentures or subsidies to the farmers but to the export merchants, and it seems certain that a large part of it would not be reflected back to the farmer.

Let us see if the President is correct about that. He states that because the export debenture certificate is payable to the exporter the farmer will not get the benefit of it. Against the President's fears—and they are only fears; they are not borne out by facts or argument—I set the experience of every country that has operated under the debenture system. It is history in every one of those countries that the export debenture certificate has automatically lifted the entire price level of the articles affected thereby. The testimony of every economist on that subject bears out the statement that the farmer does get the

benefit and that the raise in price is reflected to the producer of agricultural products. However, if the President is correct in that view, he is wrong in the other view, that it would stimulate production, for if the exporter is going to get all of the advantage of the export debenture certificate, and the farmer is to get none, how is the farmer going to be stimulated to produce more agricultural products? Those arguments will not support each other in any degree.

The next is one of the most serious objections which the President sets forth. He states:

7. The provision of such an export subsidy would necessitate a revision of the import tariffs.

Ah, Senators, the import tariffs, according to the President, must not be disturbed. This sacred protective tariff in behalf of the manufacturers must not be revised, even though revision be required to give relief to American farmers. We are, however, going to revise the tariff; we are going to enact at this session of Congress a tariff—for whom? For the American farmer? No; we are going to enact a tariff that will add to the burden of the American farmer in the market here at home; we are going to increase the cost of the articles which he must consume. The Republican majority is unwilling to give agriculture, for which they have wept tears here for eight long years, a measure of relief, lest it may require touching some portions of the sacred protective tariff on manufactured goods. Yet they are willing to revise the tariff wherever and however the manufacturers demand it.

The President further states:

8. Export bounties are recognized by many nations as one form of dumping. I am advised that a similar action by another nation would be construed as a violation of our own laws.

In other words, the President urges the possibility that other governments may adopt countervailing duties in the case of articles upon which we grant an export debenture certificate.

Mr. President, that is an argument which can be urged against the levying of any tariff duty in the case of manufactured goods. When we levy a duty against the goods of other nations, is there not always the possibility that some of those nations may adopt countervailing duties as against the goods exported from the United States? But does that fear deter us? The Congress goes on from year to year raising higher and still higher the tariff rates on manufactured products without any fear of countervailing duties being imposed by foreign governments. Do you suppose, Mr. President, that Great Britain or France, desirous of securing American cotton in plentiful quantities or American wheat with which to feed their industrial populations, would be induced to put high protective tariff duties upon those products to shut them out when their particular organization of industry and their economic situation demand these very products?

Mr. President, the last argument which the President produces is the most serious one of all. He says:

9. A further serious question arises again (if the plan did have the effect intended) where the foreign producer of animals would be enabled to purchase feed for less than the American farmer producing the same animals. For instance, the swine growers in Ontario would be able to purchase American corn for less than the American farmers across the border and it would tend to transfer the production of pork products for export to Europe from the United States to Canada.

Mr. President, it is improbable that the farmer who raises corn in Illinois or Iowa would pay the freight on that corn to Ontario and sell it to the Canadian farmer rather than feed it to his own hogs or his own cows. He would feed it to his own animals. We consume practically all the corn we produce.

Mr. President, Mr. Mellon, Secretary of the Treasury, also makes some objections to the debenture plan, and I want very briefly to advert to them.

Mr. FLETCHER. Mr. President, may I interrupt the Senator?

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Florida?

Mr. CONNALLY. I yield.

Mr. FLETCHER. I should like to have the Senator's thought on the suggestion I am about to make. I quite agree with his views thus far expressed, and am very glad he has gone into the subject as he has; but we can assume, I think, that the farmers of the United States need something more than a tariff if agriculture is to prosper.

The farmers of the country are burdened by excessive freight rates and express charges on all their products, and there are numerous other untoward conditions affecting them, including especially the wretched system of distribution which obtains in this country with reference to their products. Let us not lose sight of the fact that, although this proposed legislation may

in some degree help agriculture—and I hope it will—there are other remedies required to relieve the farmers of this land which, it seems to me, are just as important as are tariffs or a debenture plan. Is there anything in the pending measure—the Senator has studied it quite carefully—either in the power vested in the proposed farm board or somewhere else, or can there be worked out under this measure any sort of relief with reference to the miserable marketing system under which the farmers are oppressed and burdened to-day? I receive a box of oranges, for instance, shipped to me from Florida, and I pay \$2.83 to the express company to bring that box here. That is perfectly outrageous. We can raise the tariff wall as high as we please and it will never correct that situation. In like manner producers everywhere are burdened.

There are too many charges between the farmer or the fruit grower and the consumer, thus materially decreasing the return to the producer. There are charges for warehousing this and packing-house that, and freight this, commissions on sales, auction charges, and various other charges which have to be deducted from the proceeds, and when such deductions are made there is nothing left for the producer. That, it seems to me, is an important phase of the problem and one which Congress should consider. I should like to have the Senator from Texas indicate whether he thinks there is, under the pending measure, any chance of remedying the conditions to which I have referred.

Mr. CONNALLY. Mr. President, I will say to the Senator that I recognize, of course, that he suggests phases of this problem that must receive treatment. Of course, if the farmer could get cheaper freight rates, of course, if he had a more economical system of distribution and marketing, of course, if his other charges were not so high, the necessity that he should receive higher prices would not be so pressing and his distress, of course, would not be so great. His freight rates are too high. This bill offers no relief in that regard. This bill will not solve all of his problems. He will still need lower freight rates. His marketing system will still need improvement. The Government will not be able to find a remedy by law for every condition.

Regardless of what plan we adopt the farmer must still employ ingenuity, diversification of crops, economy of production, industry, and all of those elements that will assist in solving the problem.

I will say to the Senator from Florida that I do not propose this as a cure-all. I propose it only as a solution of the particular part of the problem with which we are confronted here to-day. I believe that the marketing system which this bill sets up will be of some value to the farmer through the stimulation of cooperative societies and through the supplying of those societies with adequate funds for carrying their products. That, however, is only scratching the surface. If you still have the same supply, the fact that you have a good marketing system does not lessen the fact that you have just as many bales of cotton, just as many bushels of wheat, and just as many pounds of other agricultural products as you already had. In the case of a surplus, the thing to do is to evolve some plan by which you will rid yourself of that surplus. This plan will stimulate the decrease of that surplus by its exportation to foreign lands on substantially a system of bounty in behalf of exports.

Mr. CARAWAY. Mr. President, will the Senator yield.

The VICE PRESIDENT. Does the Senator from Texas yield to the Senator from Arkansas?

Mr. CONNALLY. I do.

Mr. CARAWAY. And when the surplus has disappeared the tariff immediately becomes effective, and the wheat grower then will get an increase of 42 cents a bushel.

Mr. CONNALLY. I am glad the Senator suggested that. I suggested a little while ago that in the case of any product of which we do not produce a surplus the tariff is effective; and, as suggested by the Senator from Arkansas, when we get rid of the 200,000,000 bushels which we normally export we not only shut out the foreign wheat but we shut out this wheat that has been exported, by the process of the tariff, and behind the tariff wall wheat would get at least some portion of the protection of 42 cents a bushel.

Mr. GEORGE. Mr. President—

The VICE PRESIDENT. Does the Senator from Texas yield to the Senator from Georgia?

Mr. CONNALLY. I yield.

Mr. GEORGE. I do not think the Senator meant to say that a tariff is 100 per cent effective merely because there is no exportable surplus.

Mr. CONNALLY. No; I did not mean that.

Mr. GEORGE. Because, inherently, a tariff can not be 100 per cent effective on agricultural products, produced as they are by so many different competing units. Unless there is a monop-

oly of control in the sale of the products, the competition even behind the tariff wall would necessarily beat down the tariff to some extent.

Mr. CONNALLY. I will say to the Senator that I did not mean to suggest that it would be 100 per cent. I said a moment ago that the grower would get some portion of the 42-cent tariff on wheat. I do not believe that any tariff is absolutely 100 per cent effective, except, as suggested by the Senator from Georgia, where some one interest has an absolute monopoly of the product.

For instance, take the case of wool: Wool is an agricultural product which we produce in amounts less than our needs. The result is that the tariff on wool is effective—perhaps not to the extent of 100 per cent, but to a large extent. The tariff is effective on wool, and so it is with any product of which we produce less than we consume. The tariff may not be effective to the full extent, but the producer gets at least some benefit from the tariff in such a case as that; but he gets no benefit where we produce a large surplus which we must export into foreign lands.

Mr. President, among the objections of the Secretary of the Treasury, Mr. Mellon, is that this plan will cost the Treasury something.

This plan will not take directly out of the Treasury a single dollar. It will prevent money from going into the Treasury in the form of customs duties; but let us see if that be an absolutely unpardonable sin. Whenever you raise the tariff rates on any article above a certain point you thereby decrease the amount of duties that will be paid on that article. You are thereby shutting out that much money from going into the Treasury; and that is what this plan does, and nothing more.

Let us take, for instance, the cases of butter and aluminum; and Mr. Mellon seems particularly concerned about anything that reduces the customs duties on any particular product.

Under the old tariff law, during the first three years, from January 1, 1923, until April 1, 1926, there was an 8-cent tariff on butter. Fifty million pounds of butter were brought in during that period, paying duties of \$4,000,000, or \$103,000 a month. In 1926 the rate was changed to 12 cents, and then only 11,000,000 pounds of butter came in, or \$1,400,000, or only \$68,000 per month. In other words, by raising the tariff on butter we kept out of the Treasury something like \$2,600,000. But was there any complaint? Was that any valid reason why we should not put a tariff on butter to protect the domestic producers of butter? It kept that much money out of the Treasury.

Take the case of aluminum; and I wonder if Mr. Mellon would make as eloquent an argument in this case as he is making in regard to the export-debenture plan. In the case of aluminum kitchen hollow ware during the last three years under the old law the revenue collected from duties on aluminum ware amounted to \$619,000. During the three years under the present tariff law, carrying higher rates, the duty collected was only \$228,000. Hence, the present tariff on aluminum kept out of the Treasury \$391,000 that would have gone into the Treasury under normal conditions had the tariff not been increased.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

The VICE PRESIDENT. Does the Senator from Texas yield to the Senator from Arkansas?

Mr. CONNALLY. I yield.

Mr. CARAWAY. It would not have gone into the Treasurer's pockets.

Mr. CONNALLY. I will say to the Senator from Arkansas that \$391,000 would have gone into the Treasury; but, at the same time, out of the pockets of the people of the United States would have come many times that amount in the increased cost of aluminum ware which they were forced to pay. A large part of that increased price or profit would have gone to the Secretary of the Treasury. In other words, the Treasury lost \$391,000 in order that the Secretary of the Treasury might collect greater profits from the people. An import bounty for Mr. Mellon is a blessing. An export bounty for the farmer is a sin.

Mr. COPELAND. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Texas yield to the Senator from New York?

Mr. CONNALLY. I yield to the Senator.

Mr. COPELAND. What has the Senator to say about the effect of the debenture plan upon an increase of the surplus? If there were no limit placed upon the amount of the debenture, would it not follow as a natural course that there would be a material increase in production, and the surplus in that way be increased?

Mr. CONNALLY. I will say to the Senator from New York that I discussed that matter in some detail while the Senator

was absent from the Chamber. Of course, as already suggested, an increase in the price of any article has a tendency to increase the production of that article; but if you increase the price of all agricultural commodities in somewhat the same degree you will largely remove the danger of overproduction, because each crop then will compete with another crop; and there are no other industries that I now know of in the United States from whose ranks anybody is apt to go and take up agriculture. You are not apt to attract, even by this plan, any new farmers out of the ranks of other branches of industry, because persons engaged in other industries, knowing the distress into which agriculture has been plunged, knowing the hard times from which it has suffered, are not apt to abandon some industry in which they are profitably employed and take up the hazardous undertaking of agriculture.

I will say further to the Senator from New York that whenever you put a tariff on any article of manufacture you thereby increase the price; you thereby stimulate production; you thereby give a tendency by the law to produce an oversupply. That is an objection that inheres in all of these plans; but is the Senator going to say that we shall not give any increase in price through the mere fear that overproduction will result?

I will say to the Senator that the plan of the Senator from Nebraska [Mr. NORRIS], while not exactly meeting my views, could be worked into a desirable plan.

Mr. BROOKHART. Mr. President—

The VICE PRESIDENT. Does the Senator from Texas yield further to the Senator from Iowa?

Mr. CONNALLY. I yield to the Senator.

Mr. BROOKHART. The Senator has very aptly said that an increase in prices is necessary for the prosperity of the farmers of the United States. I desire to ask him why the debenture plan should not include the whole tariff, since it only represents the difference in cost of production? This plan includes only half of it and therefore would only increase the price half as much as it ought to.

Mr. CONNALLY. I will say to the Senator that I thoroughly agree with him. If I were writing the bill, I would put on the entire amount of the tariff. But if you can get only half a loaf and you are hungry, your appetite is going to suggest that you consume what is in sight, and trust to the future to give you the other half of the loaf. If I were writing this bill, I would give the farmer the right to take his goods to the customhouse when he ships them into foreign lands, and have the Treasury issue him a debenture certificate entitling him to import back into the United States an amount of goods equal in value to the goods which he had exported. I agree thoroughly with the Senator.

Mr. BROOKHART rose.

The VICE PRESIDENT. Does the Senator from Texas further yield to the Senator from Iowa?

Mr. CONNALLY. I was not quite through in replying to the Senator from New York.

Mr. BROOKHART. I beg the Senator's pardon.

Mr. CONNALLY. I will say further to the Senator from New York that the plan proposed by the Senator from Nebraska of putting on and taking off the debenture certificates is well intended, but under this bill the board has the right to put the debenture system into effect or to take it off if it is seen that there is danger of overproduction. Now, one trouble about most of these plans is that they provide that whenever the surplus occurs the debenture will be taken off. That is the very time when the farmer needs to have the debenture stay on. It is only when he produces too much that the price falls off. What should be done by the board is this: When there is in fact an unusual surplus and prices decline disastrously, it ought to be put on, but the following year it should be taken off. I mean, advance notice should be given that "In view of the overproduction in this year we are going to give you temporarily the benefit of this debenture, but in view of your producing more than the world's need we are going to take it off next year, and you have notice now."

Mr. BROOKHART. Mr. President—

The VICE PRESIDENT. Does the Senator from Texas yield further to the Senator from Iowa?

Mr. CONNALLY. I yield.

Mr. BROOKHART. On that proposition, the Senator, of course, refers to the world surplus and not to the American surplus.

Mr. CONNALLY. Oh, yes; the world surplus, of course.

Mr. BROOKHART. The National Industrial Conference Board has shown that the production of agricultural products in the United States as a whole, compared with the increase of population, is declining.

Mr. CONNALLY. Mr. Hoover says that, too.

Mr. BROOKHART. It would seem to me, therefore, in view of the fact that population is still outgrowing production, that this drawback, or whatever is suggested by the amendment of the Senator from Nebraska, is not likely to be necessary.

Mr. CONNALLY. I thank the Senator for his suggestion that our population is increasing so rapidly. While many of our lands are still virgin, at the same time they are not going to increase in proportion to population; and the chances are that as time goes on our increase in industrial population will be such that our domestic surplus of agricultural products will decrease. President Hoover gave expression some time ago to the thought that in 25 years our farm production would be all consumed in the United States. But we can not wait 25 years. We must do something now. I am sure the Senator from Iowa will recall that statement, that we would consume all of our wheat and the greater portion of our cotton and other agricultural products.

Mr. BROOKHART. Mr. President—

The VICE PRESIDENT. Does the Senator from Texas yield further to the Senator from Iowa?

Mr. CONNALLY. I yield.

Mr. BROOKHART. I think myself that would be about the result, except as to cotton. Probably there always will be a surplus of cotton; but even when that time comes there will be a combination of buyers to buy agricultural products and raw materials cheaply, just as there is now; and without organization and without protection agriculture can be destroyed in this country even as it has been destroyed in England.

Mr. CONNALLY. I will say to the Senator that I quite agree with what he has said. In the same connection, as to cotton, the Senator indicates that we may never reach the time when we will consume all our cotton. I do not know that it is desirable that we should. I think—and I am sure the Senator will agree with me—that the dominating position of America to-day in the production of cotton, a great industry that is necessary not only for peace time but for war time, is a great national asset, and we should not permit that great industry to deteriorate and to be weakened in the world trade.

Mr. BROOKHART. Mr. President—

The VICE PRESIDENT. Does the Senator from Texas yield further to the Senator from Iowa?

Mr. CONNALLY. I yield.

Mr. BROOKHART. I would agree with that proposition, and I would say further that it is desirable that we produce a surplus of every agricultural product.

Mr. CONNALLY. Correct.

Mr. BROOKHART. It is a healthy, safe, sound condition; but we ought to handle the surplus so as not to depress the farmer's price below his cost of production.

Mr. CONNALLY. I agree with the Senator. The Senator speaks of the exportable surplus of agricultural products. It is not only desirable that we have an exportable surplus of manufactured goods, but it is also desirable, if possible, that we maintain an exportable surplus of agricultural products. Mr. Hoover, while he was Secretary of Commerce, greatly enlarged the activities of the Department of Commerce by spending millions of dollars of the people's money in maintaining trade assistants and trade representatives all over the world to stimulate the exportation to foreign markets of American manufactured goods. Is that not a bounty in behalf of the exportation of manufactured goods? If the Government is to spend millions upon millions of dollars building up foreign trade in manufactured goods, in stimulating the exportation of manufactured goods, is it a sin to spend a few millions of dollars in order to stimulate the exportation of agricultural products, and save the life of the American farmer?

Mr. McKELLAR. Mr. President—

The VICE PRESIDENT. Does the Senator from Texas yield further to the Senator from Tennessee?

Mr. CONNALLY. I yield.

Mr. McKELLAR. In the colloquy between the Senator from Texas, who is making a very fine speech, I want to say, and the Senator from Iowa [Mr. BROOKHART] a moment ago, the impression was left that there might be a surplus of cotton, and that there is generally a surplus of cotton.

Mr. CONNALLY. He was referring to a domestic surplus.

Mr. McKELLAR. I want to call the Senator's attention to the fact that there never has been anything but a temporary surplus of cotton. Throughout the entire history of the past in America, in every instance after there has been a surplus of cotton for one year, it has been taken care of in the next two or three years. There never has been a surplus of cotton over three years in the entire history of the cotton industry in this country.

Mr. CONNALLY. I will say to the Senator from Tennessee that I quite agree with him. I think he misapprehended, how-

ever, some of the remarks of the Senator from Iowa. The Senator from Iowa was referring to the domestic surplus of cotton.

Mr. BROOKHART. Not to the world surplus.

Mr. CONNALLY. Rather than to the world surplus.

Mr. McKELLAR. I just wanted to clear that up.

Mr. CONNALLY. Reverting just a moment to a statement I made a while ago about whether the application of the debenture ought to be taken on and off to adjust itself to circumstances, Edmund Burke in 1773 proposed in England, in the case of wheat—although I can not lay my hand on the exact language at present—that whenever wheat declined below a certain price, an export bounty or debenture should be put on, to increase the price. In other words, in case of great surpluses, when they had more wheat than they could sell—when the farmer always needs an increase in his price—an export bounty was paid. Then, when the price of wheat went up to a certain figure—\$1.55, I believe it was—the debenture was automatically taken off. In times of stress and low prices the bounty was paid; when prices rose to normal levels it was taken off.

It is along that line that I suggested the proposition that the debenture should go on in cases where the surplus actually exists, but in the succeeding year it ought to be taken off, if you are to carry out the plan of this bill. For myself, in justice to the farmer, I would not object to the debenture being left permanently in force for the full amount of the tariff duty.

The Secretary of the Treasury also suggests, as one of the objections to this bill, that it would require a readjustment of the tariff. I have already adverted to that argument, and to the fact that we are now about to readjust the tariff.

Mr. Mellon also points out that the enactment of this legislation will increase domestic prices. I hope it will. That is the object of it, to increase domestic prices to the farmer. Unless it offered some hope of increasing domestic prices, I for one should not favor it.

Mr. Mellon says that it would dislocate the tariff schedules. Mr. Mellon is against bounties on everything except aluminum.

Mr. Mellon also says that the administrative difficulties in the operation of the debenture system are almost insuperable. Mr. President, I submit that the debenture system is the simplest system of farm relief that has ever been proposed in this Chamber. There is practically no administrative machinery necessary, no long list of agents and employees. The Treasury Department would, of course, have some additional labor, but there would be little additional machinery needed in its administration.

Mr. President, I want to conclude. I submit to the Senate that if we are to follow the suggestions of Mr. Hoover and Mr. Mellon we are not going to give the farmer any advantage or any relief from his present distressed condition. Why do I say that? I say that under the arguments advanced by the President and Secretary of the Treasury, any bill which this Congress passes must have the following qualifications and characteristics: First, it must not raise the farmer's price, because, the President says, if you raise the farmer's price, it will stimulate overproduction; and that is an insuperable objection.

Mr. Mellon, from his place in the Treasury, says that we must not raise the farmer's price, because, if we do, we stimulate overproduction. Mr. Mellon forgets the doctrine of Alexander Hamilton, who largely was the author in America of this idea of an export debenture system. Alexander Hamilton, until the advent of Mr. Mellon, was some authority in the Republican Party, and among those particular circles which advocate a protective tariff; but, since the coming of Mr. Mellon, Mr. Hamilton seems to have been forgotten.

What is the second necessary characteristic of the farm bill which the President and Secretary of the Treasury are going to approve? It must not cause the Treasury any decrease in receipts. The President and the Secretary of the Treasury say that because this bill would cut down tariff revenues by keeping money out of the Treasury it must die. If that be an objection, then it will be an objection to any bill. Is the farmer the only one in behalf of whom no money can be expended? When you raise the tariff at the customhouse on manufactured goods by excluding imports you keep money out of the Treasury. You did it in the case of aluminum; you did it in the case of butter; you did it in the case of every article where the tariff has been raised to a certain degree. If that is an objection that is valid against farm relief, it ought to be valid in considering the tariff bill which will be brought before the Senate within a short time.

What is the next objection; what is the next qualification; what is the next requisite for this farm relief bill? It must not cause the Treasury any expense. The President and the

Secretary of the Treasury object to the bill if it will cost the Treasury something.

Mr. President, how are we to aid the farmer if we do not give him an increase in price, if we do not give him anything out of the Treasury, or out of the revenues? How are we going to aid the farmer? It is absolutely impossible.

Mr. VANDENBERG. Mr. President—

The VICE PRESIDENT. Does the Senator from Texas yield to the Senator from Michigan?

Mr. CONNALLY. I yield.

Mr. VANDENBERG. I am very anxious to get the Senator's view, at that point, on this phase. He differentiates between money withheld from the Treasury and money in the Treasury, which is, of course, the distinction between a debenture cashable at the customhouse rather than at the Treasury. Does the Senator anticipate that the farmer will suffer a discount on his debenture in the process of reaching the customhouse?

Mr. CONNALLY. I will say to the Senator that I discussed that quite in detail while the Senator, no doubt, was engaged in something more interesting on the other side of the Chamber.

Mr. VANDENBERG. I beg the Senator's pardon.

Mr. CONNALLY. I will say to the Senator that, of course, there will be some discount, a very small discount, because the debenture will be practically worth cash, but the importer would not give cash for it because he might have to hold it for a month, and he would not want to pay the interest. But I will say to the Senator from Michigan that the testimony of all the economists who have treated this subject—and there are a number of articles in this volume, *The Annals of the American Academy of Political and Social Science*—is that in practical effect, in other countries, an increase in price has been commensurate with the amount of the debenture. In the case of Sweden the Government provides that it will buy back the debenture certificates at 98 cents on the dollar, in cash. The result is that the exporters give 99 cents, and the Government never buys any back at 98 cents.

Mr. VANDENBERG. I was wondering, if there is to be any discount, why it would not be preferable, to be perfectly frank about this thing, and have the debenture cashed at the Treasury, and save that brokerage to the Treasury, if we are to have a debenture system.

Mr. CONNALLY. I would say to the Senator that it is preferable to tie this plan into the tariff system, because what we are trying to do is to give back to the farmer a portion of what the tariff on other goods takes out of his pocket. It is indirect, it is true. So is the tariff indirect. I am not trying to conceal the fact that in its essence it is a bounty, but I am defending it on the ground that, being a bounty, it is just as justifiable as the bounty on manufactured goods.

Mr. Hamilton, in his report on manufactures in 1791, treats of some phases of the question in connection with manufactured goods. He points out that manufactures can be stimulated at home by the payment out of the Treasury of cash bounties, just as the Senator would do in the case of agriculture.

I answer the Senator, why have a tariff system in behalf of manufactures indirectly, and putting into the pockets of a privileged few indirect bounties through the tariff, instead of giving the bounties to manufactured industry here at home and being honest about it, as the Senator suggests we ought to be in the case of agriculture?

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. GEORGE. Does it not also, if the Senator please, stimulate the flow of the surplus out of the market, which is one of the primary purposes of the legislation?

Mr. CONNALLY. The Senator from Georgia has put his finger right on the vital spot. As was suggested earlier in this discussion, one of our problems is that we have a domestic surplus. We want to get rid of that domestic surplus, and so we put a premium upon the exportation of that article to foreign countries, and by the same process we get rid of the surplus and we raise the domestic price, just as in the reverse gear we do in the case of the tariff. We are turning the tariff around, as it were, and giving the farmer the benefit of the tariff on his outgo as we give the manufacturer the benefit of the tariff on the imports.

What are we going to do about farm relief? When I was interrupted by the Senator from Michigan—and I was glad he interrupted me—I was pointing out the things the administration is going to require shall be contained in it if the farm bill is to pass. It must not have a tendency to encourage the farmer—to stimulate his interest.

The Government stimulates and encourages manufacturers. They are encouraged through the Government's foreign agents engaged in stimulation of exportation of manufactured goods.

The Department of Agriculture stimulates the farmer and encourages him and tells him how he can plant more crops and produce them more economically. Yet the President and the Secretary of the Treasury say that whatever bill the Congress enacts must not have a tendency to encourage the farmer. Notwithstanding, as suggested a while ago by the Senator from Iowa [Mr. BROOKHART], that our population is increasing, notwithstanding that through the normal processes of development of the times our demands for food are increasing, yet an insuperable objection is urged by the President and the Secretary of the Treasury that any plan which encourages the farmer to more industry, to conserve his soil, and to produce more crops shall meet the presidential veto.

What is the one climacteric objection? It must not in any way disturb the highly protected privileges received by the manufacturer. Mr. Mellon urges that. He said the bill would require a readjustment of tariff rates. Mr. Hoover said the bill would require a readjustment of tariff rates. Even if that be an objection, is not agriculture of sufficient importance to require that those rates be readjusted? Do not worry—they are going to be readjusted. Whatever is done to the farmer, whether he is given any relief or whether he is condemned to continue in the misery through which he has been struggling for these many years, the tariff masters are here in Washington now. They are knocking at the doors of the Senate as they have already knocked at the doors of the House, and whenever they knock they receive, and we are going ahead to revise tariff duties whether we do anything for agriculture or not.

What about the farmer? We are told by the manufacturer that he can not compete in the domestic market because he can not compete with the pauper labor of Europe. I suggest to the Senate that every man who out on the plains of the Dakotas and Minnesota raises a bushel of wheat by his toil and the sweat of his own body is competing with another man away out yonder on the steppes of Russia or on the plains of Rumania. He is competing with the peasant and the pauper labor of Europe no less than the manufacturer who receives his bounty at the customhouse. Every man in the South who goes down the hot cotton row in the summer and produces that great staple is competing with some man yonder on the banks of the Nile in Egypt and with some laborer out yonder in India no less than the manufacturer is competing with the pauper labor of Europe.

On the other hand the American farmer who must compete with the peon or peasant labor of Europe is at still further disadvantage. The peon in Europe and the peasant in India can go into a world free market and buy the articles that he must consume. The American farmer must not only meet the competition of that peasant, but when he goes out into the market he does not have the privilege of going into the same market with the peasant. He must go into a highly protected, artificially lifted market to buy his goods, paying a premium thereon to the manufacturer and to the privileged few.

Senators speak of surpluses. Something was said about a world surplus. I do not believe that in the economy of things there is in truth a world surplus of the useful and economic products of human labor. I do not believe there was ever a time in the history of the world when there was so much food to eat that there was not somewhere else in the world a hungry mouth that needed it for sustenance. I do not believe there was ever so much wool and cotton produced or fabricated in all the looms and spindles of the factories but that somewhere there was a body that needed clothing for its protection. I do not believe there was ever in the history of the world so much stone and brick and mortar to construct buildings and homes but that somewhere out yonder under the stars there was a body needing a roof for shelter.

Our problem is to get the products of the one land to the people of other lands that do not produce those products. Our problem in America to-day is to get rid of the exportable surplus in cotton and wheat and other agricultural products that we do not need at home. What is the remedy? The remedy is to encourage getting those products to the people who need them in other places in the world, to encourage exportation, to give debenture certificates to the farmer or exporter and send those goods on their way. That would not only fill the wants of other lands and render a useful service, but it would enrich the pockets of our own people by increasing the prosperity of the farmer and by increasing America's commanding position in world trade and in the world of economy.

Mr. President, the duty is on the Congress to keep its promise to the American farmer. That promise was not in favor of any particular bill, but the promise of the administration was to put American agriculture upon the same economic level with industry. That promise was made by both parties, and the solemn duty of the Senate to-day is not to spend its time

quibbling as to whether Mr. Hoover saw Senator Somebody last night and told him this or that or the other.

The Senate ought not to consume its time in trying to reconcile the views of Mr. Hoover with the views of Members of the Senate. The problem is so big that it ought to rise above the level of partisan politics. It is so fundamental that we ought to solve it as a matter of statesmanship rather than as a matter of partisan politics.

I have never heretofore voted for the McNary-Haugen bill. I believed the equalization fee was an unjust tax and burden on the farmer. I did not vote for it because I did not believe it was workable or sound. I did not believe in the equalization fee principle. My view was that a complicated system with an army of employees was placed on the farmer's back, and he was made to pay the entire bill. I believe the Government ought itself to do justice to the farmer. It ought to pay the bill. The Government, by its own act, has placed the farmer at a disadvantage. It ought to rectify that wrong.

I introduced in the last Congress as a Member of the House a bill providing an export corporation of \$500,000,000 and tying into that plan, just as is tied in here now, the export debenture system. This is a measure to which I can give my whole-hearted and my enthusiastic support. If the Congress adopts the marketing system without the debenture plan I very much fear that the American farmer is going to be grossly disappointed and is going to feel that he has been betrayed in the house of his supposed friends. I ask the Senate to defeat the amendment of the Senator from Indiana [Mr. Watson], to pass the bill with the debenture plan in it, and thus redeem the promise of the American Congress to the American farmer.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Indiana [Mr. Watson].

Mr. COPELAND obtained the floor.

Mr. WATSON. Mr. President—

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Indiana?

Mr. COPELAND. I yield.

Mr. WATSON. I wonder if the Senator would be willing to yield to enable me to move to proceed to the consideration of executive business.

Mr. McNARY entered the Chamber and addressed the Chair.

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Oregon?

Mr. COPELAND. I yield.

Mr. McNARY. I was called out of the Chamber for a moment. It had been agreed, so far as it could be between Members of the body, that the Senator from New York might occupy the rest of the afternoon. I have said to a number of Senators that I would move to go into executive session at 15 minutes before 5 o'clock. I do not know whether that will give the Senator from New York time to complete his remarks or not.

Mr. COPELAND. I have no objection to yielding the floor at this time if those on the other side desire to have an executive session. It might serve to bring some Republicans back into the Chamber. I have observed during the afternoon only one or two Republicans in their seats, and if it is the desire of the other side to have an executive session at this time I have no objection.

Mr. WATSON. I have no desire whatever to interfere with the program of the chairman of the Committee on Agriculture and Forestry, but I had promised several Senators that there would be an executive session this afternoon.

Mr. COPELAND. I am very happy to yield for that purpose.

Mr. WATSON. I know the Senator from Oregon is very anxious that the Senator from New York shall proceed, and so I shall accede to his suggestion and acquiesce in his request.

Mr. COPELAND. Let it be understood, so far as I am concerned, that it makes no difference whether I speak a little while this afternoon or wait until to-morrow. I would much prefer, if the Senator from Indiana desires an executive session now, knowing that there are important matters to be considered in executive session, not to interfere with their consideration.

Mr. McNARY. I am very anxious to hear the able Senator from New York discuss this problem. We have a little time left this afternoon and we are anxious to get along with the work. I want to give everyone full opportunity to be heard. If quite agreeable, I suggest the absence of a quorum, and then we can go forward with the discussion.

Mr. COPELAND. I beg the Senator not to ask for a quorum call now, because I would not care to disturb Senators who are engaged in their offices on official duties.

Mr. McNARY. If that is the Senator's pleasure, I shall not suggest the absence of a quorum.

The VICE PRESIDENT. The Senator from New York will proceed.

Mr. COPELAND. Mr. President, before I proceed with what I have to say I would like to ask the Senator from Oregon [Mr. McNARY], the able Senator in charge of the bill, if he has determined that an exception shall be made as regards perishable products? He will recall that we had a colloquy the other day in which he said he had not heard from anybody about it. As the result of our discussion I have had 129 letters and telegrams from citizens of my State who do not wish perishables to be included in the bill. I had thought to introduce an amendment covering that matter unless the Senator from Oregon has decided about it.

Mr. McNARY. Mr. President—

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Oregon?

Mr. COPELAND. I yield.

Mr. McNARY. On account of the general demand from those engaged in the fruit and vegetable culture I offered an amendment yesterday striking out and taking without the operation of the bill all fruits and fresh vegetables. Last year the matter came up when we were considering the old bill, and the Senator from New York offered an amendment excluding fruits and fresh vegetables. That became a part of the bill as it passed this body. I used the same language in the same form in an amendment which I have prepared, and which I shall ask the Senate to consider at a later date.

Mr. COPELAND. I thank the Senator. That is entirely agreeable to me because, I may state, so far as my constituents are concerned, they would prefer to have fruits and vegetables excluded from the operation of the bill.

Mr. TRAMMELL. Mr. President—

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Florida?

Mr. COPELAND. I yield.

Mr. TRAMMELL. I will state that the exception of vegetables and fruits would eliminate the one provision in the bill which would be of any benefit to agriculture in my State. It is about the only feature of it that would benefit us.

Mr. COPELAND. Mr. President, it is a very discouraging thing to undertake any discussion of the pending bill. As I read the signs, its fate is predestined and foreordained.

The debenture plan, which has been discussed so ably by the Senator from Texas [Mr. CONNALLY] and others this afternoon, will, of course, be defeated. I assume that the equalization fee for which some of us fought, bled, and died during the past several years will meet the same fate.

I was the only Senator east of Indiana who voted for the McNary-Haugen bill. I did not vote that way because of any particular enthusiasm for the bill upon the part of the farmers of my State, but I so voted because I have a fixed conviction that there can be no continuous prosperity in the United States unless there is prosperity on the farm. Without legislative action, as I see it, this can not be expected.

My State is a great agricultural State. Senators probably rarely think of it as such. My State stands eleventh in agriculture among the States of the Union. The value of its agricultural production is exceeded only by a very few million dollars by a number of States which do actually produce larger quantities. So anything that is of real benefit to the farmer is of interest to the State of New York.

But, fortunately for the farmers of the Empire State, most of them diversify their farming or they are dairy farmers. Because they have very successful cooperatives and dairymen's leagues, they have been able to sell their products in an orderly way and to maintain decent prices. However, the particular consideration which induced me in times past to be for the McNary-Haugen bill was my conviction that there could be no continued employment of labor in New York City or in the other large cities of New York State unless the buying power of the farmer should be reestablished.

People generally think of New York City as a great financial center. If they want to borrow money to build a schoolhouse or a courthouse or a railroad or to exploit some mining property, they go to New York City for it. They think of it as a financial center. How often do they think of New York City as a manufacturing city? Yet the city of New York—and I am speaking now not of the greater city but of the territory actually within the boundaries of the city itself—manufactures in bulk and value more products than are manufactured in Pittsburgh, Cincinnati, St. Louis, Milwaukee, Cleveland, Detroit, and Boston. The money value of the products manufactured in New York City exceeds the combined output of all the cities I have named. Senators will be amazed to know that our output of furniture, in money value, is greater than that of Grand Rapids, Mich. New York is our greatest manufacturing city.

What do we do with those manufactured products? We do not use them; we sell them; and the great buyers of the manufactured products are the farmers.

What becomes of the manufactured steel? When we see the great skyscrapers with the steel skeletons going almost to the dome of heaven we think that is where the steel goes. When we see the steel rails or the steel locomotives or the steel trains we say that is where steel goes; but over half of the manufactured steel produced in the United States is actually sold on the farm in the form of fence wire, plowshares, agricultural implements, crowbars, chains, pickaxes, and other articles. So more than half the steel which is manufactured is sold on the farms. This is true of other manufactured articles.

Mr. President, there can be no prosperity in the city of New York or in any other great manufacturing city unless there shall be buying power on the farms of the country. It is because I have that conviction that I have repeatedly voted for various farm-relief measures; that I have three times voted for the McNary-Haugen bill.

But there is to be no provision for an equalization fee in the pending measure; there is to be no debenture plan incorporated. We are simply going to have the sort of bill which passed the House of Representatives; and that bill is not worth \$36 a dozen! It will have no material effect upon the prosperity of the farmers of the country. I am here to say that the farmers—if I may be permitted to use a slang expression—have been "gold-bricked" from the time of the campaign until this moment; but they will not know that they have been "gold-bricked" until they try to apply the bill after it shall have received the signature of the President and be employed by them in the desperate, hopeless, and futile effort to relieve their distress. So it is a discouraging thing to attempt any discussion of this measure.

How can we hope to obtain relief from it? My colleague the junior Senator from New York [Mr. WAGNER] this morning in an able speech pointed out that this bill would not be helpful; that it would not relieve the distress of the farmer, but, on the contrary, would lead to greater distress among the farmers.

Why do we take our time; why are we here in this extraordinary session? Why are we holding the attention of the country? Why are we doing this useless and foolish thing? Nothing will come from it. Yet, after all, we are here, and I feel it my duty to speak as strongly and as earnestly as I can my conviction regarding this matter.

At present the debenture plan is embodied in the pending measure. It will not be adopted; nobody believes it is going to become the law. But suppose it did? What is it except a scheme to reach into the Treasury of the United States and take out hundreds of millions of dollars of the taxpayers' money—an indirect raid upon the Treasury? We had better honestly vote a bounty than to provide a plan of this sort. I confess that I am in bitter opposition to the debenture plan.

It has been modified and materially benefited, in my judgment, by the amendment proposed by the Senator from Nebraska [Mr. NORRIS]. I am going to hold my nose and vote for the debenture plan with that amendment when the time comes. I do not propose to stand here while there is an opportunity to offer even a bounty to the farmers of America and to be one meekly to swallow the bill which comes from the House of Representatives, which is, as I said, not worth \$36 a dozen.

Any measure of this sort, Mr. President, is unsound economically; we have to admit that; but I am not disturbed by the fact that the equalization fee is unsound economically. I am not particularly disturbed by the fact that the debenture plan is unsound economically. I resent the debenture plan because I represent a State which pays 26 per cent of the taxes of this country; and if this bounty shall be given to the farmers, the taxpayers of my State will pay over a quarter of it. It is not fair. The equalization-fee plan is a much better plan, because the charge is made against the crop, and that is where the charge should be made.

Mr. BROOKHART. Mr. President—

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Iowa?

Mr. COPELAND. I yield.

Mr. BROOKHART. The Senator speaks of the heavy taxes paid by his State. Is it not true that the reason for that is because of the heavy profits which are made in New York, largely off the farmers of the United States, and do not those who live in New York justly owe the farmers a part of the taxes they pay, in order to equalize conditions, a part of them being tariff taxes which protect the prices which are charged the farmer?

Mr. COPELAND. The Senator from Iowa need not get excited. I have already said that, so far as I am concerned, with a modification, I am going to vote for the bill, and impose that burden upon the citizens of New York, who have "outraged the farmers and taken undue profits from them." I have not anything to say about that, and the Senator can make that speech in his own time, but we probably will never agree about the wickedness of Wall Street. Last night I attended a banquet at the Waldorf-Astoria Hotel, in New York, and looked into the faces of many of the "barons" of Wall Street; and, so far as I can see, they are just as human in appearance and, I think, in heart as are most people. However, that is aside from the argument.

I was discussing the question of whether or not any of these measures are economically sound. They are not. Anything that interferes with the natural flow and operation of the law of supply and demand is unsound economically. Let us concede it to be true that anything which interferes with the operation of natural laws is unsound economically.

If there is anything under heaven more unsound economically than the tariff system, where is it? The very purpose of the tariff system is to do away with the free flow of products throughout the earth; the purpose is to violate economic law. It is unsound economically; but even so, it is necessary that we have it.

I think I was as glad as anybody in the United States when my party suddenly became in favor of a protective tariff. I did not have to change my economic views. We could not manufacture our products in this country in competition with the peasant and poverty-stricken labor of Europe unless we had a protective-tariff system; but let us be honest about it. Let no man stand here and ridicule a bill for the relief of the farmers on the ground that it is economically unsound. It is economically unsound, but so is the protective-tariff system; and the farmer is the victim of the protective-tariff system. Everything he has to buy he pays more for because of that system; all the articles he buys are increased in price by reason of it. He is the victim of economic unsoundness.

That is not all; he is the victim of the labor unions. Do not misunderstand me when I make that statement. If I were a laboring man I should sit on the front seat of the union, because the labor of this country never had a square deal until they were able to bargain collectively with their employers in reference to the problems which involved them. I believe in the labor union; but—

Mr. BROOKHART. Mr. President—

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Iowa?

Mr. COPELAND. I yield.

Mr. BROOKHART. In reference to the labor unions, since there are produced in New York a large part of \$60,000,000,000 worth of manufactured products and labor only gets \$11,000,000,000 in wages, does not the Senator think it is a little unfair to say that labor is oppressing the farmer?

Mr. COPELAND. If the Senator from Iowa will listen to me, he will find that there is nobody in the Senate more ready to go the whole length with labor than am I; not one. Labor does not now have its full share, but it did not have any share until it formed the labor union. When I was a boy the section hands on the railroad in the town where I lived got a dollar a day. They used to say, "A dollar a day is durned poor pay"; but that is all they got, and they worked 12 hours for a dollar a day. Men started out in life as laborers and at the end of their short lives they were still laborers, and their children were laborers. They had no chance at all until the labor union came along.

I do not want to be misunderstood about that, but I want to say that when the labor union fixes the price of labor, the price that a carpenter shall receive or a plumber shall receive, it is violating an economic law. Then, when the farmer, who finds his boys going to the city to join the crafts, wants to hire help upon the farm that has to compete with city labor, he has to pay more because of this organization, which by its very nature violates economic law.

On this very subject of labor I want to say to the Senator from Iowa that if industry does not find some way to take care of the man past 50 who is out of employment, the State will have to do it. It is an outrage, and there is something wrong with government and with our social system, when it is possible for men and women of this country to walk the streets because they can not find employment. I say to my friend from Iowa, "You come along with any sort of legislation which will seek to make possible the wiping out of unemployment and I will go the whole length of the route with you."

Mr. BROOKHART. Mr. President—

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Iowa?

Mr. COPELAND. I yield.

Mr. BROOKHART. I shall be glad to come along with something of that kind, and the first thing I want to come along with is something that will take that six and a half billion dollars of speculative money out of New York and get it in use for the benefit of labor and the farmer.

Mr. COPELAND. When we as consumers pay twenty-two and a half billion dollars for the very products for which the farmer receives only seven and a half billions, when fifteen billions have been added between the producer and the consumer, there is something wrong with our systems of distribution. But, Mr. President, as I have tried to state, the farmer is the victim of the protective tariff system which, good as it is, necessary as it is, is nevertheless "economically unsound." He is the victim of the labor conditions which, important as they are—and I would not change them except to make them better—are economically unsound. The only man left in the open field of competition is the farmer. He is the only one; and now, when he seeks relief, the administration just ended said, "We must not do this because it is economically unsound"; and I have not any doubt that any similar measure that went out from this Congress to the present President of the United States would be vetoed because it is "economically unsound." I say that is all wrong; it is a discouraging thing. It is discouraging to these farmers, and where it is going to end I do not know.

I have been looking over this protective tariff system—

Mr. McKELLAR. Mr. President—

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Tennessee?

Mr. COPELAND. I yield.

Mr. McKELLAR. Before the Senator leaves that subject, he spoke of the wide divergence between what the farmer receives for his products and what the consumer has to pay; and there is an astonishingly wide divergence. The cause of it is, however, because our distribution systems are economically unsound; and the Senator is exactly right when he says that all of our people, except the farmer alone, are operating under economically unsound systems.

Mr. COPELAND. That is true. If time permitted, I should point out how expensive are the distribution methods employed, for instance, in the milk industry. The States and cities have much to do in their turn to reduce the costs of distribution.

Mr. SHEPPARD. Mr. President—

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Texas?

Mr. COPELAND. I yield to the Senator from Texas.

Mr. SHEPPARD. I want to express my admiration for the constructive and patriotic position the Senator is taking in behalf of the farmer, coming as he does from the largest city in the country.

Mr. COPELAND. I am very much obliged to the Senator from Texas. The fact is that I was born on a farm, and my relatives are farmers; but I know that the people in my city can not prosper unless the farmer prospers. That is the great impulse back of my insistence upon relief of this sort.

I might say, for the benefit of the Senate, that not long ago I went into a tailor shop in New York to buy a new suit of clothes. I said to the tailor, "How is business?" He replied, "Business is bad." I said, "Why?" "Well," he said "we have cycles. We have a good year and we have a bad year." I said, "That is not what is the matter with your business."

Now, I have to confess that this was a Fifth Avenue tailor. I said, "The matter with your business is the fact that the farmer can not buy." He said, "The farmers do not buy any clothes on Fifth Avenue." "But," I said, "the men who buy clothes on Fifth Avenue have manufacturing enterprises in New York, and they make things that they sell to the farmers when the farmers can buy."

To me the logic is irresistible. There can be no prosperity in a tailor shop or in a hotel or a restaurant or a café or a florist shop, there can be no prosperity in these millinery stores and dressmaking establishments in New York, unless the farmer of the country can buy the kimono and overalls and other things they use that are made by the manufacturers of New York City, in order that the manufacturers may make money enough so that they can bedeck their wives with these fine garments that are sold in the dressmaking and millinery stores.

Is not that logical? Is it not the fact? Is there anybody here who questions that?

I am here to say that fundamentally the farmer is the man who determines the welfare and the financial prosperity of every establishment and every merchant and every individual in the whole country. If that is the fact—and you do not dis-

pute it—what could be more sensible than for us in this body to pass legislation, even though it be "economically unsound" legislation, if out of it we restore prosperity to the farm and buying power to the people who take these things that we make in the cities?

When I was diverted I was saying something about the tariff. That reminds me to say that the chairman of the Republican senatorial committee sent up word to the newspapers of New York last year in my campaign that "Senator COPELAND is an enemy of the tariff and believes that it is economically unsound." It is economically unsound, but I never said I was an enemy of it. We can not think of competing with foreign labor. The brickyards in the Hudson River Valley and the cement plants and the gypsum mines and plaster works in my State can not compete with those of Belgium and Germany and other countries abroad hiring labor for less than a dollar a day. How can we hope to have any prosperity in those establishments unless we have a protective tariff system? But why do we not apply that principle once in a while to the benefit of the farmer?

I find that last year we brought into this country \$7,000,000 worth of cattle, \$5,000,000 worth of hogs, \$2,000,000 worth of horses, \$14,000,000 worth of meat, \$9,000,000 worth of milk and cream, \$4,000,000 worth of butter, \$25,000,000 worth of cheese, \$95,000,000 worth of hides, \$2,000,000 worth of poultry, and \$7,000,000 worth of eggs. Think of it! And the poultry farmers of America are suffering. These sums that I have mentioned to you total \$170,000,000, and they represent 23,000,000 acres of plowed land replaced by products from abroad. There are articles which were brought into this country which could have been produced here and put 23,000,000 acres of our abandoned farms to work.

What is the matter with the Republican Party, the great friends of the tariff?

Mr. SACKETT. Mr. President—

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Kentucky?

Mr. COPELAND. I yield.

Mr. SACKETT. For information, I desire to ask the Senator from New York, who has those figures, whether that is an exhaustive list of the farm products that come into this country?

Mr. COPELAND. It is not a detailed list—no more detailed than I gave it.

Mr. SACKETT. Has the Senator any additional items?

Mr. COPELAND. Yes.

Mr. SACKETT. They are interesting and I should like to hear them.

Mr. COPELAND. All right. I will give the Senator some more. I am much obliged to him. We brought in \$18,000,000 worth of wheat, \$5,000,000 worth of bran and wheat by-products, and \$10,000,000 worth of molasses. You can make good sirup out of corn, you know. When Congress gets wise enough or the Department of Agriculture has foresight enough to permit the use of corn sugar where it is legitimately used, it will save ten or fifteen million dollars which can be given to the corn farmers and, incidentally, utilize 3,000,000 acres of land now unplowed.

Mr. CONNALLY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Texas?

Mr. COPELAND. I do.

Mr. CONNALLY. The Senator has pointed out that the tariff is economically unsound, and other matters of that kind, and that the debenture is also economically unsound. The Senator is a distinguished physician. Is it not the case that when some trouble arises with the human body, so that it is unsound, you then give medicine which itself is sometimes a poison, in order to cause a reaction to counteract the other unsoundness?

Mr. COPELAND. That is correct.

Mr. CONNALLY. Why will not the debenture do the same thing with reference to the tariff? Why will it not give the farmer economic justice, of which he has been deprived by the operation of the protective tariff?

Mr. COPELAND. I will answer that, and then I will come back to the Senator from Kentucky.

My objection to the debenture plan without the Norris amendment is this: I am sure that it would be temporarily, at least, beneficial to the farmer, but I am equally certain that it would encourage overproduction. That is the thing I am worried about. I know that the Senator debated that, and he did it ably; but we do not want to encourage overproduction.

I am perfectly willing, as a representative of a consumer population, to pay more, if need be, for some of these things that we consume, made from farm products, in order that there may be a high domestic price for the farmer's crops. I want any sort of measure which will give the farmer a high domes-

tic price. Under our present system, since the farmer is competing with the world, the price for domestic sales of wheat will be fixed by the price in Liverpool; and, consequently, no matter what kind of a crop we have here, whether it is a bumper crop or a short crop, the price will be determined by the Liverpool price.

I will go along in any plan which will increase the price of the domestic article, but I am opposed to any plan which will encourage the planting of endless acres simply to reap the reward of a bounty. That is the way I feel about it, and am against any unmodified debenture plan.

Mr. McKELLAR. Mr. President, does not the Senator think, however, that that objection is quite largely obviated by the proposal of the Senator from Nebraska [Mr. NORRIS]?

Mr. COPELAND. Oh, yes. As I said a moment ago, I would never vote for the debenture plan as it is written in the bill, but by reason of the amendment offered by the Senator from Nebraska I think that defect is cured to a great extent.

Mr. NORRIS. Mr. President—

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Nebraska?

Mr. COPELAND. I yield.

Mr. NORRIS. I wanted to ask the Senator if he thinks it would be possible to increase the price the farmer received for his product without to some extent stimulating production?

Mr. COPELAND. I think it is probably true that if the price were increased there would be a temptation to grow more. That is the great difficulty, if the Senator will bear with me for a moment, that we had in working out any plan for the equalization fee. We were all the time fearful of stimulating production, and that is the great defect in the whole scheme.

Mr. NORRIS. The idea was to compel the producer of the product to stand the loss on the export part of the production.

Mr. COPELAND. Yes.

Mr. NORRIS. I want to ask the Senator also whether it is not true that in every case of a protective tariff the object is an increase of price to the manufacturer here in this country?

Mr. COPELAND. I have no doubt about it.

Mr. NORRIS. And does it not follow, then, necessarily, that in that case—and that means every case wherever the protective tariff is levied—there is a tendency likewise to increase domestic production?

Mr. COPELAND. Yes; but we are dealing with a different situation when we are dealing with manufactures.

Mr. NORRIS. We are dealing with different articles; we are dealing with manufactured articles.

Mr. COPELAND. We are dealing with articles about which we have full control as to whether we will make them or not make them, and how much we will make, but after the producer sows his seed he has no further control over it. He does not know whether he will have a big crop or a little crop.

Mr. NORRIS. That is true, but that is one of the difficulties the farmer has to contend with. He can not tell by the number of acres he plants or sows what his production is going to be.

Mr. COPELAND. No.

Mr. NORRIS. The point I wanted to make clear to the Senator was that this provision, the so-called debenture plan, in this bill, in the respect in which he is discussing it, is just exactly the same as every protective tariff levied on any manufactured article. It has a tendency to increase production, it has a tendency to increase the price to the consumer on this side of the tariff wall, and that must follow inevitably. In fact, the object of the protective tariff is to increase the price, and if we increase the price of an article, we offer a greater inducement for its production or its manufacture.

Mr. COPELAND. I can think of no manufactured article now with which we ever quite saturated the demand, if the Senator knows what I mean.

Mr. McNARY. Mr. President—

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Oregon?

Mr. COPELAND. I yield.

Mr. McNARY. It does not appear that the Senator from New York will conclude his remarks this afternoon, and I stated a few moments ago that I would move an executive session at 15 minutes before 5, and if the Senator will yield for that purpose, I will do so now.

Mr. COPELAND. Just one moment, and I will. I want to finish my thought.

When we come to deal with a foodstuff, for instance, like wheat, we can not, by any high-powered salesmanship, get a man to eat any material percentage of increase over the normal amount of bread consumed, but the manufacturer may make a lot of goods and then go out and by high-powered salesmanship force them upon a public which was unwilling to buy until all the many virtues of the article had been pointed out.

Mr. WALSH of Montana. Mr. President, I desire to address an inquiry to the Senator from Oregon with respect to some features of the bill, but if he would prefer to discontinue now, I will be glad to ask my question to-morrow morning.

Mr. McNARY. My suggestion is in conformity with a promise I made awhile ago, to proceed to the consideration of executive business at about a quarter of 5.

Mr. WALSH of Montana. I have been giving the bill some study, and I want light on some features of it.

Mr. COPELAND. Is it understood that I will have the floor to-morrow, and may go ahead then?

The VICE PRESIDENT. The Senator is yielding for the purpose of an executive session, as the Chair understands it, and he will be entitled to the floor in the morning.

Mr. COUZENS. Mr. President, I send to the desk a proposed amendment to the pending bill, and ask to have it printed and lie on the table.

The VICE PRESIDENT. Without objection, it is so ordered.

FEDERAL JUDGESHIP IN SOUTH CAROLINA

Mr. BLEASE. Mr. President, a few weeks ago the Hon. J. Lyles Glenn, of Chester, S. C., was appointed to a Federal judgeship in South Carolina.

A great deal has been said in reference to my connection with the matter, and much has been said in reference to his indorsements.

I wish to say that I favored Congressman FRED H. DOMINICK for the position; but upon Mr. Glenn's appointment I immediately wired him as follows:

Hon. J. LYLES GLENN,
Chester, S. C.:

My choice for United States judgeship was Congressman FRED H. DOMINICK, my lifelong friend and for many years my law partner. Since he was not appointed, I congratulate you and shall do nothing to prevent your confirmation; but, on the contrary, shall vote for it.

COLE L. BLEASE.

I also gave to the press the following interview:

Knowing his character as a man, his qualifications as a lawyer, and his fitness for the position, and in view of my personal relationship, together with the indorsements which follow, I was a supporter of Mr. DOMINICK for the additional judge for South Carolina.

I desire to say that it is fully conceded by all people who are familiar with the history of these matters in South Carolina that there has been nobody under consideration for a judge in South Carolina in 40 years who has had as numerous, as creditable, and as powerful indorsements as Mr. DOMINICK.

The following are his indorsements and record:

Member of the House of Representatives of South Carolina when 23 years of age.

Assistant attorney general of South Carolina.

Member of Congress for 12 years. Elected without opposition in past two elections.

Member of House Judiciary Committee of Congress for past eight years.

Unanimously indorsed by members of Judiciary Committee of Congress, both Republicans and Democrats.

Indorsed by the chief justice and the associate justices of the Supreme Court of South Carolina.

Indorsed by 12 of the 14 circuit judges of the State, 9 of the 14 solicitors of the State, the attorney general of South Carolina, and the president of South Carolina Bar Association.

Unanimously indorsed by the South Carolina State Senate and House of Representatives.

Indorsed by 18 county bar associations from every section of South Carolina, including, in addition, indorsements from many of the leading lawyers throughout the State.

Indorsed and recommended for appointment by Representatives in Congress from South Carolina, Maryland, Virginia, North Carolina, Georgia (including the two United States Senators), Florida, Texas, Mississippi (including the two United States Senators), Alabama, Missouri, Tennessee, and Representatives and Senators from other States.

His friends are very grateful for the indorsements and consider it wholly as much honor as if he had gained the appointment as judge.

However, since Mr. Hoover has seen fit to give the appointment to the Hon. J. Lyles Glenn, his personal friend, I shall not go out of my way to oppose the nomination, because I have never allowed my personal feelings to interfere in any way with my official duties.

When the Senator from Wisconsin [Mr. BLAINE] sent the report up to the Chair on this nomination it was ordered to be placed on the calendar. I inquired of the Senator if it was the report on Mr. Glenn, and he said it was. I then asked unanimous consent that it not be placed upon the calendar, but that the nominee be immediately confirmed, which was done. Had I not done this he would not yet be confirmed, for there has not

been any executive session since and his name would be on the calendar awaiting action.

In order that the record may be kept straight and that some people may know how maliciously they are endeavoring to take advantage of Mr. Glenn's appointment to cast false insinuations at both myself and Congressman DOMINICK, I am requesting that the following copies of indorsements be printed in the CONGRESSIONAL RECORD along with these remarks.

These indorsements passed through my office. There are many, many others on file with the Attorney General and the President, so I am informed, which do not appear herewith.

I ask that the indorsements be printed in the RECORD in connection with my remarks.

The VICE PRESIDENT. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

MARCH 18, 1929.

To the PRESIDENT OF THE UNITED STATES,

The White House, Washington, D. C.

DEAR MR. PRESIDENT: Hon. FRED H. DOMINICK, of South Carolina, is being urged for appointment as judge of the United States District Court for the Eastern and Western District of South Carolina. Mr. DOMINICK has served for some years as a distinguished member of the Judiciary Committee of the House of Representatives. He is an able lawyer and in our judgment has every qualification to make a splendid United States district judge. We therefore, his colleagues in said committee of the Seventieth Congress, heartily indorse him for the appointment mentioned.

We have the honor to be, Mr. President, very truly yours,

GEORGE S. GRAHAM,	GEORGE R. STOBBS.
L. C. DYER.	JAMES FRENCH STROTHER.
W. D. BOIES.	F. LAGUARDIA.
C. A. CHRISTOPHERSON.	HOMER W. HALL.
IRA G. HERSEY.	HATTON W. SUMMERS.
EARL C. MICHENER.	A. J. MONTAGUE.
ANDREW J. HICKEY.	SAMUEL C. MAJOR.
J. BANKS KURTZ.	ZEBULON WEAVER.
C. ELLIS MOORE.	H. S. G. TUCKER.

Honorable ATTORNEY GENERAL OF THE UNITED STATES,

Washington, D. C.

DEAR SIR: Whereas by a recent act of Congress an additional judge has been provided for in South Carolina; and

Whereas the Hon. FRED H. DOMINICK, of Newberry, S. C., by reason of his marked and recognized ability as a lawyer, his conservative, firm, and courageous convictions, his high moral character and peculiar temperamental fitness is well qualified to serve in any judicial capacity;

We, the undersigned Members of Congress from South Carolina, vouching for these qualifications, hereby indorse and recommend Mr. DOMINICK for appointment to this position.

Respectfully,

THOS. S. McMILLAN, *First District.*
BUTLER B. HARE, *Second District.*
J. J. McSWAIN, *Fourth District.*
W. F. STEVENSON, *Fifth District.*
A. H. GASQUE, *Sixth District.*
H. P. FULMER, *Seventh District.*

COLUMBIA, S. C., March 12, 1929.

Hon. WILLIAM D. MITCHELL,

Attorney General of United States, Washington, D. C.

DEAR MR. ATTORNEY GENERAL: I wish to add my indorsement to the suggestions of other friends of Hon. FRED H. DOMINICK that he be appointed to the office of United States district judge, created by a recent act of Congress.

I have known Mr. DOMINICK since his admission to the bar of this State. While I was a circuit judge he often appeared in my courts. Upon many occasions also he has been engaged in the hearing of cases in our supreme court.

Mr. DOMINICK is a lawyer of exceptional ability, and a gentleman of the highest character.

His performance of the duties of the office of assistant attorney general of this State brought to himself and the office a wonderful reputation. In that capacity he often appeared in the supreme court, and there gave evidence of his exceptional legal attainments. His argument in the prohibition case in our court, in which he successfully sustained the right of the people to vote favorably on the adoption of the prohibition law, was one of the strongest arguments I have ever heard presented to the court in my many years of experience as a justice.

I have every reason to believe that Mr. DOMINICK will perform the duties of the office of United States judge in a manner entirely pleasing to the Government, to the lawyers of South Carolina, and our people generally.

Respectfully,

RICHARD C. WATTS,
Chief Justice.

COLUMBIA, S. C., March 12, 1929.

Hon. WILLIAM D. MITCHELL,

Attorney General of United States, Washington, D. C.

MY DEAR SIR: In the matter of the appointment of a third district judge in the State of South Carolina permit me to say that I have known Hon. FRED H. DOMINICK for many years, and wish to bear testimony to his very excellent character and legal attainments. I regard him as a lawyer of extraordinary ability. For many years he was assistant attorney general of South Carolina, and his services in that capacity gave the greatest satisfaction.

Yours truly,

T. P. COTHRAN,

Associate Justice Supreme Court of South Carolina.

NEWBERRY, S. C., March 2, 1929.

The honorable the ATTORNEY GENERAL OF THE UNITED STATES,
Washington, D. C.

DEAR MR. ATTORNEY GENERAL: I feel deeply interested in the appointment to the office of the United States district judge for South Carolina, recently created by act of Congress. I desire to see named for this high office one who is well equipped in every way to discharge the responsible duties of the place.

Our State is fortunate in having a large number of men who are well fitted to be United States judge.

One of the outstanding men suggested for the office is Hon. FRED H. DOMINICK, of Newberry, now Representative in Congress from the third congressional district of South Carolina; and I take the liberty of suggesting to you, and through you to the President, that Mr. DOMINICK should be selected.

It has been my pleasant privilege to know Mr. DOMINICK for around 35 years. I have practiced at the bar with him for more than 20 years. Often I have been associated in cases on the same side with him, and upon many occasions we have been opposing counsel. He has always been highly ethical in the practice of the profession of the law, fair to counsel and litigants on the other side in the case, and frank with the court. He has been engaged in many important cases both in the State and Federal courts.

For several years Mr. DOMINICK served as assistant attorney general of this State, and his conduct of that office was recognized throughout the State as one of the ablest known in the history of the attorney general's office.

Mr. DOMINICK has, in my opinion, all the necessary qualifications and temperament for the high judicial place. He is always open and patient in the hearing of both sides of a question. After having listened, and becoming convinced what is right, he is firm in his determination.

I know of no man in South Carolina who, from every viewpoint, is better fitted for the office of United States district judge, and I sincerely hope he may be named for that position. His appointment will be pleasing not only to the bench and bar of this State but to our people generally.

Respectfully,

EUGENE S. BLEASE,

Associate Justice of the Supreme Court of South Carolina.

THE SUPREME COURT OF SOUTH CAROLINA,

*St. Matthews, S. C., March 5, 1929.*To the ATTORNEY GENERAL OF THE UNITED STATES,
Washington, D. C.

DEAR SIR: It has been called to my attention that the Hon. FRED H. DOMINICK, Member of Congress from this State, has been suggested for appointment to the office of Federal district judge, recently created by act of Congress for South Carolina.

I desire to say that I think the suggestion a wise one. Mr. DOMINICK is a man of high character and a lawyer of ability, and is eminently fitted in every way to fill this high office. He was at one time assistant attorney general of this State, in which position he served with signal ability and efficiency. His appointment as Federal judge should give general satisfaction.

Yours very truly,

J. G. STABLER,

Associate Justice, Supreme Court.

SUPREME COURT OF SOUTH CAROLINA,

Bamberg, S. C., March 6, 1929.

Hon. WILLIAM DEWITT MITCHELL,

*Attorney General of the United States of America,**Washington, D. C.*

DEAR SIR: Please permit me to speak a word to you in the interest of Hon. FRED H. DOMINICK, whose name is being presented for the position of district judge of this State, a position created by a recent act of Congress. It has been my pleasure to know Mr. DOMINICK personally for a number of years, and have always known him to be a gentleman in the true sense. He is a man of splendid education, high legal attainment, and broad experience; is possessed of an affable dis-

position, is kind and considerate, though firm, and enjoys the confidence and respect of all who know him. In my opinion Mr. DOMINICK possesses all of the qualifications and requisites necessary for making him a great and just judge, and I have no hesitancy in indorsing him for that high position.

Respectfully,

JESSE F. CARTER.

COLUMBIA, S. C., March 2, 1929.

The honorable ATTORNEY GENERAL OF THE UNITED STATES,
Washington, D. C.

MY DEAR MR. ATTORNEY GENERAL: Congress having passed an act under which a third Federal judge must be appointed for South Carolina, I respectfully indorse Hon. FRED H. DOMINICK, now Congressman from the third district and formerly assistant attorney general of South Carolina, as eminently qualified for this office. Mr. DOMINICK is learned in the law and of judicial temperament, and would do credit to the Federal bench.

Yours very truly,

JOHN M. DANIEL,

Attorney General of South Carolina.

COLUMBIA, S. C., February 27, 1929.

Hon. FRED H. DOMINICK,

Member of Congress, Washington, D. C.:

You are eminently qualified for Federal judgeship, and from every viewpoint should be appointed. You have my unqualified indorsement and support.

THOS. H. PEEPLES,

Former Attorney General.

COLUMBIA, S. C., March 2, 1929.

The honorable ATTORNEY GENERAL OF THE UNITED STATES,
Washington, D. C.

DEAR SIR: Congressman FRED H. DOMINICK, of Newberry, S. C., was admitted to the bar of this State on May 6, 1898. His standing as a member of the bar is and always has been the highest. He served this State some years as assistant attorney general and made a record that placed him among the leading lawyers of the State.

His ability, character, and temperament fit him most eminently for service of the highest quality if appointed to the vacancy on the Federal bench of this State.

Knowing that the appointment of Mr. DOMINICK would meet with the approbation of the bench and bar of South Carolina, I respectfully ask favorable consideration of the application made for his appointment.

Very truly yours,

J. B. WESTBROOK,

Clerk of Supreme Court of South Carolina.

CHESTER, S. C., March 2, 1929.

The honorable ATTORNEY GENERAL OF THE UNITED STATES,
Washington, D. C.

DEAR SIR: In the matter of the matter of the application by the friends of the Hon. FRED H. DOMINICK, Congressman from the third district of South Carolina, for appointment as United States district judge for the State of South Carolina, under the recent act of Congress providing therefor, I wish to join in such petition and unreservedly indorse his appointment as a man eminently fitted for the place in character, learning, and temperament.

Yours very truly,

J. K. HENRY,

Judge of the Sixth Judicial Circuit.

COLUMBIA, S. C., March 2, 1929.

The ATTORNEY GENERAL OF THE UNITED STATES,
Washington, D. C.

SIR: I desire to state that I have known the Hon. FRED H. DOMINICK, of Newberry, S. C., since 1901, during which time he has practiced in the courts of this State. He is a gentleman of high character, learned in the law, and if appointed a United States judge would give general satisfaction in that office.

Respectfully,

W. H. TOWNSEND,

Judge Fifth Circuit of South Carolina.

SPARTANBURG, S. C., March 2, 1929.

ATTORNEY GENERAL OF UNITED STATES,

Washington, D. C.

DEAR SIR: I understand that Hon. FRED H. DOMINICK is being suggested by some of his friends to fill the position as district judge, which has just been created for the eastern and western districts of South Carolina. I have known Mr. DOMINICK all of his life intimately. He is a man of the highest character and of unusual legal ability. It gives me pleasure to state to you that in case you should see fit to recommend him to the President for the appointment, he will undoubtedly fill the

position with dignity, ability, and honor to himself and to the Government.

Very respectfully yours,

T. S. SEASE,
Judge Seventh Judicial Circuit of South Carolina.

SALUDA, S. C., March 2, 1929.

The ATTORNEY GENERAL,
Washington, D. C.

DEAR SIR: It gives me unfeigned pleasure to indorse the Hon. FRED H. DOMINICK for a position on the Federal bench in South Carolina. I have known Mr. DOMINICK for many years and know especially of his work as Assistant Attorney General of South Carolina. He appeared before me a number of times and he always handled his side of the case with signal ability.

I furthermore know Mr. DOMINICK as a hard student of the law, a man of character and courage. I think I have some knowledge of what it takes to make a judge, and I can say without any manner of hesitation that Mr. DOMINICK enjoys all of these qualifications. He is also possessed of a legal mind, of fine native ability, which he has improved by study and practice.

Respectfully,

C. J. RAMAGE,
Judge Eleventh Judicial Circuit South Carolina.

ANDERSON, S. C., March 2, 1929.

To the honorable the ATTORNEY GENERAL OF THE UNITED STATES.

SIR: It is brought to my attention that the Hon. FRED H. DOMINICK, now a Member of Congress from this State, will be presented for appointment as district judge under the act just passed. I take the liberty of asking your favorable consideration of his name. I have known Mr. DOMINICK since his early manhood. He is of unblemished character, full of energy, and possessed of sound judgment and poise. He has practiced in my courts, and I can speak with knowledge of his legal ability and attainments, which are of the highest order. I do not hesitate to say that Mr. DOMINICK would fill this judicial position with credit to himself and to the advancement of the interests of the Government.

Respectfully submitted,

M. L. BONHAM,
Judge Tenth Judicial Circuit.

CHARLESTON, S. C., March 15, 1929.

Hon. WILLIAM D. MITCHELL,
United States Attorney General, Washington, D. C.

MY DEAR SIR: I understand that the Hon. FRED H. DOMINICK, of my State (South Carolina), is an applicant for the new Federal judgeship in South Carolina. I take pleasure in indorsing Mr. DOMINICK for this position. He is thoroughly competent, in my judgment, and I think would make an excellent judge. He is a very able lawyer. I am writing this letter from Charleston, where I am now engaged in holding court.

Yours very respectfully,

JOHN S. WILSON,
Judge Third Circuit of South Carolina.

DARLINGTON, S. C., March 18, 1929.

To the ATTORNEY GENERAL OF THE UNITED STATES,
Washington, D. C.

DEAR SIR: It affords me great pleasure to bear testimony to the high character and legal attainments of Hon. F. H. DOMINICK, of South Carolina.

I understand he has been suggested for appointment as a Federal judge of this State and I think he is especially fitted for this high position, as he has the judicial temperament as well as the character and legal learning and experience.

Yours very truly,

E. C. DENNIS,
Judge of Fourth Judicial Circuit.

PICKENS, S. C., March 18, 1929.

To the honorable the ATTORNEY GENERAL OF THE UNITED STATES,
Washington, D. C.

DEAR SIR: I am advised that Hon. FRED H. DOMINICK has been suggested for appointment as Federal judge under the terms of a recent act of Congress appertaining to South Carolina.

I have known Mr. DOMINICK for approximately 20 years, and it gives me pleasure to state that he is a lawyer of fine abilities who, at the bar in private practice and as assistant attorney general of the State of South Carolina, has won marked distinction and success.

I am sure that Mr. DOMINICK is eminently qualified to meet every expectation and requirement of a place so important and exacting.

I have the honor to be,

Yours most respectfully,

T. J. MAULDIN,
Judge Thirteenth Circuit.

CAMDEN, S. C., March 12, 1929.

The ATTORNEY GENERAL OF THE UNITED STATES,
Washington, D. C.

SIR: In the appointment of an additional United States circuit judge for the district of South Carolina, pursuant to a recent enactment of the Congress, I trust that you may give an earnest consideration to the claim and qualifications of the Hon. FRED H. DOMINICK, Newberry, S. C., a Member of the National House of Representatives.

The course and standing of Mr. DOMINICK in the House of Representatives as an able, courageous, and dependable Member of that body is too well known to require any comment. His administration as assistant attorney general of South Carolina, prior to his election to the House of Representatives, was, in my judgment, the most efficient that this office has furnished within my memory.

It has been my privilege, as a practitioner of law for many years and with considerable judicial experience in this State, to observe practically the entire bar for a number of years, and I am firmly convinced that in integrity, temperament, judicial poise, sound judgment, ability, and legal learning there is no member of our State bar who is better equipped for judicial work than he. I am satisfied that I share with the entire bar of this State the feeling that his high character and splendid equipment would make him a most valuable acquisition to the Federal bench of this country, and the hope that these qualifications may bring to him a successful consideration of his qualifications for this position.

MENDEL L. SMITH,

(Formerly speaker of the South Carolina House of Representatives, circuit judge fifth judicial circuit of South Carolina, and lieutenant colonel (J. A. G.), United States Army, in the recent war.)

LAURENS, S. C., March 4, 1929.

Hon. W. F. STEVENSON,
Member of Congress, Washington, D. C.

DEAR SIR: I am informed that the name of Hon. FRED H. DOMINICK will be presented for appointment as Federal judge for South Carolina. I know of no lawyer in this State who is better qualified as to ability and temperament for this position than Mr. DOMINICK.

He is no politician in the ordinary definition of the term, but his absolute honesty and candor and moral courage to stand for what he believes to be right has merited for him that esteem and confidence of the people of his congressional district not heretofore held by any Representative from that district. For the past 20 years he has been considered one of the ablest members of the Newberry bar and never appears in any case without a thorough study of the law.

In my humble opinion he has all the qualifications that would make him a suitable, competent, and desirable person to be appointed to the position as Federal judge in this State.

With kindest personal regards,

Yours very truly,

H. S. BLACKWELL,
Solicitor of Eighth Judicial Circuit.

HAMPTON, S. C., March 13, 1929.

Hon. WILLIAM D. MITCHELL,
Attorney General of United States,
Washington, D. C.

MY DEAR SIR: I wish to heartily indorse the suggestion that Hon. FRED H. DOMINICK be appointed to the office of United States district judge for South Carolina.

As it has been my pleasure to know Mr. DOMINICK around 15 years, becoming acquainted with him when he held the office of assistant attorney general of this State. He stands exceedingly high as a member of the bar of South Carolina and, in my opinion, is fully qualified in every way for the office of United States judge. I am confident that his appointment will be highly pleasing to the people of South Carolina.

Respectfully,

RANDOLPH MURDAUGH,
Solicitor, Fourteenth Judicial Circuit.

COLUMBIA, S. C., March 13, 1929.

Hon. WILLIAM D. MITCHELL,
Attorney General, Washington, D. C.

MY DEAR SIR: I noticed that Hon. FRED H. DOMINICK is being considered for appointment as a Federal judge of this State, and, having known and been associated with Congressman DOMINICK for a number of years, desire to add a word in behalf of his qualifications.

As a lawyer he has few equals in this State and has a judicial mind, which is attested to by his work and opinions while in the attorney general's office of this State; as a public servant of his people his record of honesty and devotion is an outstanding achievement; as a citizen he is above the least reproach or criticism; and with this combination peculiarly fit him for the position of Federal judge.

I am writing this without the knowledge of my friend, Mr. DOMINICK, but feel that his record, private and public, justifies such recommendation.

Very truly,

L. M. GASQUE,
Solicitor, Twelfth Judicial Circuit.

CHESTERFIELD, S. C., March 2, 1929.

The honorable ATTORNEY GENERAL OF THE UNITED STATES,

Washington, D. C.

MY DEAR SIR: I beg the privilege of indorsing for the Federal judgeship recently created for South Carolina, the Hon. FRED H. DOMINICK, now a Member of Congress and for a number of years a leading member of the bar of this State.

While Mr. DOMINICK and I have resided in different parts of the State, I have had the pleasure of an acquaintance with him for 30 years and was with him in our general assembly, where I had an opportunity to measure his ability as a lawyer and to judge him as a man.

Mr. DOMINICK enjoyed a very large practice in Newberry and other counties in the western part of the State as the partner of Senator COLE L. BLEASE and was recognized as a strong lawyer in the Circuit and Supreme Courts of South Carolina, and, in my opinion, he has the judicial temperament.

His character and ability is unquestioned and, in my opinion, he will adorn the Federal bench, and I know he is most acceptable to the people of this State.

I am, with the greatest respect,

M. J. HOUGH, *Solicitor.*

COLUMBIA, S. C., March 2, 1929.

To the ATTORNEY GENERAL OF THE UNITED STATES,

Washington, D. C.

MY DEAR SIR: It has come to my attention through the press that Hon. F. H. DOMINICK, of Newberry, S. C., is being considered by you in the matter of the appointment of a third district judge in this State.

It is my pleasure to state to you that, after a personal and professional acquaintance of many years, I feel that no better selection can be made from the bar of this State. Mr. DOMINICK is a lawyer of pre-eminent ability, and a man of excellent character and of the highest ideals.

I am certain that the bar of this State would approve his selection.

Respectfully,

A. F. SPIGNER, *Solicitor.*

MARCH 6, 1929.

Honorable ATTORNEY GENERAL UNITED STATES,

Washington, D. C.

DEAR SIR: As a citizen of South Carolina and a member of the South Carolina Bar Association, I wish to recommend Hon. FRED H. DOMINICK for appointment to the position of United States district judge. I have known him for more than 20 years, during which time he has steadily grown in the esteem of the people of his State and advanced in ability and worthy achievement. He is admirably equipped, both temperamentally and professionally, to discharge the duties of this very important position. Among the lawyers of the State generally, he is recognized as a jurist who is fearless, fair, and energetic. I would be much gratified by his appointment.

Respectfully submitted,

I. C. BLACKWOOD,
Solicitor, Seventh Judicial Circuit of South Carolina.

The ATTORNEY GENERAL,

Washington, D. C.

DEAR MR. ATTORNEY GENERAL: It has come to my attention that Hon. FRED H. DOMINICK, of Newberry, S. C., is being mentioned as a probable appointee to the Federal judgeship in South Carolina under the terms of an act recently passed by Congress.

I have known Mr. DOMINICK intimately for a great many years. I knew him as an attorney at the Newberry bar, as an assistant attorney general of South Carolina, and as a Congressman representing the third district of this State, in which district I live.

Knowing Mr. DOMINICK as I do I consider him one of the foremost attorneys in South Carolina. His chief asset, however, is the character of the man himself.

I therefore unqualifiedly recommend his appointment to the Federal judgeship in this State.

Very respectfully yours,

L. W. HARRIS,
Solicitor, Tenth Circuit.

CHARLESTON, S. C., March 2, 1929.

Hon. W. F. STEVENSON,

House Office Building, Washington, D. C.:

Strongly recommend appointment Hon. FRED DOMINICK to new Federal judgeship created for South Carolina.

JAMES ALLAN,
Solicitor Ninth Circuit.

EDGEFIELD, S. C., March 2, 1929.

The ATTORNEY GENERAL,

Washington, D. C.

DEAR SIR: I have known Mr. FRED DOMINICK, present Member of Congress from South Carolina, for 25 or 30 years, and am pleased to say that he is a gentleman of high character and high order of ability, and well qualified to fill the office of United States judge.

Mr. DOMINICK has the confidence of all political factions in South Carolina, and I don't know any other man whose appointment would be so unanimously approved as the appointment of Mr. DOMINICK.

Your office will make no error in recommending his appointment, and the President will be fortunate to have such appointment to his credit.

Very truly,

J. WM. THURMOND.

(Solicitor or State prosecuting attorney for many years, and also former United States district attorney for western district of South Carolina.)

COLUMBIA, S. C., March 14, 1929.

ATTORNEY GENERAL OF THE UNITED STATES,

Washington, D. C.

MY DEAR SIR: Please allow me to add my personal indorsement to the recommendations made by the House of Representatives that the Hon. FRED H. DOMINICK be appointed Federal judge for South Carolina under the recent act of Congress.

I have known Mr. DOMINICK for the past 20 years, and in South Carolina he is considered a public servant of unquestioned integrity. As a lawyer he ranks among the best, and is in every way qualified to fill the Federal judgeship with distinction and honor. I am sure South Carolina would be delighted to have Mr. DOMINICK as her new Federal judge.

Yours very truly,

PHILIP H. STOLL,
*Former Solicitor and Member of Congress
of Sixth South Carolina District.*

STATE OF SOUTH CAROLINA,

DEPARTMENT OF STATE,

Columbia, March 6, 1929.

To the honorable the ATTORNEY GENERAL OF THE UNITED STATES,

Washington, D. C.

DEAR MR. ATTORNEY GENERAL: For 15 years I have been personally well acquainted with the Hon. F. H. DOMINICK, of Newberry, S. C., who has been suggested for the office of United States judge for South Carolina recently created. Knowing of Mr. DOMINICK and his recommendations and his standing among the people of our State, both as man and lawyer, it is my opinion that his appointment will be highly pleasing to our people. I take great pleasure in adding my indorsement to the many I am sure you have already received of Mr. DOMINICK.

With highest regards, I am, very truly yours,

W. P. BLACKWELL,
Secretary of State.

COLUMBIA, S. C., March 7, 1929.

To the honorable ATTORNEY GENERAL OF THE UNITED STATES,

Washington, D. C.

DEAR SIR: We, the undersigned members of the Railroad Commission of South Carolina, heartily indorse the appointment of the Hon. FRED H. DOMINICK for the position of Federal judge for the State at large of South Carolina recently authorized by Congress.

SAM C. BLEASE.
JOHN H. NANCE.
JNO. C. CONEY.
EARLE R. ELLERBE.
J. E. BEAMGUARD.
THOS. H. TATUM.
R. H. MCADAMS.

COLUMBIA, S. C., March 2, 1929.

The ATTORNEY GENERAL OF THE UNITED STATES,

Washington, D. C.

DEAR SIR: I am taking the liberty of adding my indorsement as president of the South Carolina Bar Association to numerous other indorsements of Hon. FRED H. DOMINICK for appointment as United States judge for South Carolina. Mr. DOMINICK has been a prominent member of the South Carolina bar for many years, and he is in every way qualified for the high office of judge.

Very truly yours,

FRANK A. MILLER,
President of South Carolina Bar Association.

NEWBERRY, S. C., February 26, 1929.

Hon. W. F. STEVENSON,

House Office Building, Washington, D. C.:

The Newberry County Bar Association unanimously indorses Hon. FRED H. DOMINICK for the new Federal judgeship.

GEORGE B. CROMER, *Chairman.*
JOHN F. CLARKSON, *Secretary.*

Whereas the Congress of the United States has provided for the office of an additional judge of the United States district courts for the State of South Carolina, and the President of the United States will soon be called upon to make the appointment of a United States district judge; and

Whereas it is the desire of the Newberry Bar Association that some one who is thoroughly qualified in every respect may be appointed to the judgeship created: Now, therefore, be it

Resolved by the Newberry Bar Association, of Newberry, S. C., That, in recognition of the high character, legal attainments, and judicial temperament of one of our fellow members, Hon. FRED H. DOMINICK, we hereby unanimously go on record as favoring his appointment to the said office of United States judge and express in this way our earnest desire to see him selected for the position.

Resolved further, That this resolution, signed by the president and secretary of the association, be forwarded to Hon. W. F. STEVENSON, Congressman of South Carolina, for presentation to the President and to the Attorney General of the United States.

GEO. B. CROMER,
President.
STEVE C. GRIFFITH,
Secretary pro tempore.

NEWBERRY, S. C., March 2, 1929.

The ATTORNEY GENERAL OF THE UNITED STATES,
Washington, D. C.:

We, the undersigned public officials of Newberry County, S. C., take pleasure in indorsing Hon. FRED H. DOMINICK, Member of Congress from the third district of South Carolina, to the office of Federal judge recently created by Congress.

Congressman DOMINICK is a man of outstanding legal ability and is one of the foremost lawyers of South Carolina. As his fellow citizens we can not too highly testify as to his high character and fitness for this office.

Respectfully submitted,

Cannon G. Blease, sheriff; J. B. Halfacre, county auditor; C. C. Schumpert, county treasurer; H. K. Boyd, clerk of court; Neal W. Workman, probate judge; D. L. Wedaman, superintendent of education; Geo. P. Boulware, chairman of highway commission.

GREENWOOD, S. C., March 2, 1929.

Hon. W. F. STEVENSON,

Washington, D. C.

DEAR MR. STEVENSON: We, the undersigned members of the Greenwood bar, desire to indorse Hon. FRED H. DOMINICK for appointment as Federal judge under the act recently passed.

All of us are well acquainted with Mr. DOMINICK and know of his fitness for the place and are sure that he will be acceptable to the bar throughout the State. Mr. DOMINICK is not only an able lawyer but is possessed of that judicial temperament which would especially qualify him for a position of this kind. You can use this letter as our indorsement of him for the position.

Very truly yours,

C. C. Featherstone, judge eighth judicial circuit for South Carolina; C. A. Mays; W. L. Daniel; Douglas Featherstone; D. S. Jones, master Greenwood County; W. H. Nicholson; R. F. Davis, Chas. A. Young, M. G. McDonald, T. F. McCord, J. B. Park.

PICKENS, S. C., March 2, 1929.

The ATTORNEY GENERAL OF THE UNITED STATES,
Washington, D. C.

DEAR SIR: We, the members of the Pickens Bar Association, hereby go on record as favoring Hon. FRED H. DOMINICK, Member of Congress from the third congressional district, for recommendation and appointment to the position of Federal district judge of South Carolina.

Mr. DOMINICK is an experienced lawyer and is a man of high character, and will make an extraordinarily fine judge. He has all of the qualifications necessary to make a judge and will administer justice impartially to everybody. His service as assistant attorney general of South Carolina, before he went to Congress, proves his worth as a lawyer. He argued several important cases in the United States Supreme Court and has to his credit a perfect score, not having lost a single case which he argued while he was assistant attorney general of South Carolina.

His record in Congress has been of the finest kind. He has fought for right principles and right measures, and he has served his district

for 12 years with honor. The people of his district and of his State are proud of him, and trust you can see your way clear to recommend his appointment to this high and honorable position in the legal profession.

Respectfully yours,

JAS. P. CAREY.
PATRICK C. FANT.
G. G. CHRISTOPHER.
SAM B. CRAIG.

W. C. MANN.
T. C. TURNER.
C. E. ROBINSON.
B. A. CHAPMAN.

Whereas it has been brought to the attention of the Pickens County Bar Association that the Hon. FRED H. DOMINICK, now a Member of Congress for this district, will in all probability be put forward as a gentleman qualified to be nominated by the President of the United States as a Federal judge for the newly created Federal judgeship; and

Whereas the Hon. FRED H. DOMINICK has very ably represented this district in Congress for a number of years after practicing law at Newberry for a great number of years where he attained the highest distinction as an able and capable lawyer: Now be it

Resolved by the Pickens County Bar Association, That we earnestly indorse and advocate the appointment of Hon. FRED H. DOMINICK for the new Federal judgeship.

T. COKE TURNER.
SAM B. CRAIG.
J. H. EARLE.
C. C. CHRISTOPHER.

W. C. MANN.
C. E. ROBINSON.
B. A. CHAPMAN.
PATRICK C. FANT.

McCORMICK, S. C., March 2, 1929.

The ATTORNEY GENERAL FOR THE UNITED STATES,
Washington, D. C.

DEAR SIR: We, the undersigned attorneys at law, of McCormick County, S. C., do hereby unqualifiedly indorse the Hon. FRED H. DOMINICK, present Congressman from the third congressional district of South Carolina, for appointment as United States district judge for South Carolina under the terms of the recent act of Congress providing for an additional judge.

Respectfully,

W. K. CHARLES.
F. A. WISE.
ROBERT S. OWENS.

ABBEVILLE, S. C., March 2, 1929.

The ATTORNEY GENERAL OF THE UNITED STATES:

Whereas it has been brought to our attention that Hon. FRED H. DOMINICK, Member of Congress from the third congressional district of South Carolina, is being urged for appointment to fill the judgeship lately created for South Carolina by act of Congress, and having unlimited confidence in the integrity, character, and legal attainments of the said FRED H. DOMINICK, and being of the opinion that he is in every way well fitted to discharge the duties of the said high office, we, the members of the Abbeville bar, hereby recommend that the said FRED H. DOMINICK be appointed.

J. M. NICKLES.
J. MOORE MARS.
JAMES P. NICKLES.
HUBERT C. COX.
RALPH J. SYFAN.
JAMES R. HILL.

Having read the above recommendation, we heartily concur and hereto add our names.

F. B. McLANE, *Sheriff.*
J. A. SCHRADER,
County Superintendent.
J. L. PERRIN,
Clerk of Court.
R. B. CHEATHAM,
Treasurer.
RICHARD SONDELEY,
Auditor.

STATE OF SOUTH CAROLINA,
County of Oconee.
To the honorable the ATTORNEY GENERAL OF THE UNITED STATES,
Washington, D. C.:

Whereas it has come to the attention of the members of the Walhalla bar of Oconee County, S. C., that the name of Hon. FRED H. DOMINICK, Representative from the third congressional district of South Carolina, and formerly a member of the Newberry (S. C.) bar, may be presented to the President for nomination as Federal judge for the newly created Federal judgeship of South Carolina; and

Whereas the Hon. FRED H. DOMINICK has represented this (third) district in Congress for a number of years with eminent ability and fidelity in the discharge of every duty; and

Whereas for a number of years Hon. FRED H. DOMINICK was assistant attorney general for the State of South Carolina; and

Whereas for a number of years he was an active practitioner in the State and Federal courts while a member of the Newberry (S. C.) bar, and is a lawyer of recognized ability, and whose legal training and temperament is such as to eminently qualify him for the discharge of judicial duties: Now, therefore, be it

Resolved by the Walhalla Bar Association, That we earnestly indorse and advocate the appointment of Hon. FRED H. DOMINICK for the new Federal judgeship for South Carolina.

E. L. HERNDON, *President*.
R. T. JAYNES.
J. B. S. DENDY.
W. C. HUGHES.
HARRY R. HUGHES.
J. R. EARLE.
R. L. BALLENTINE.
M. C. LONG.

We, the undersigned officers of the county of Oconee, S. C., hereby concur in the foregoing resolution and urge the appointment of Hon. FRED H. DOMINICK as Federal judge.

G. W. Shirley, clerk of court; L. C. Speares, superintendent of education; J. H. Thomas, sheriff of Oconee county; Ralph M. Pike, auditor of Oconee County; W. W. West, treasurer of Oconee County; Harry U. Earle, judge of probate; W. O. White, master of Oconee County; Jas. M. Moss, mayor of the town of Walhalla, S. C.

Resolution by the bar of Saluda, S. C., indorsing Hon. FRED H. DOMINICK for appointment as Federal judge in this State

Whereas there is to be appointed for the State of South Carolina a Federal judge for the newly created position; and

Whereas the Hon. FRED H. DOMINICK, from our adjoining county of Newberry, has been mentioned and indorsed for this place; and

Whereas we know him to be a lawyer of splendid ability and unquestioned character and integrity, and possesses to a marked degree all qualifications to fit him for this position: Therefore be it

Resolved by the members of the bar of Saluda, That we in meeting assembled do unreservedly indorse the Hon. FRED H. DOMINICK for this position of trust and honor and earnestly request that he be appointed to this newly created judgeship.

JEFF D. GRIFFITH.
C. J. RAMAGE.
H. B. HARE.
M. J. YARBOROUGH.
JOE GRIFFITH.

ORANGEBURG, S. C., March 2, 1929.

Hon. H. P. FULMER,
Washington, D. C.

DEAR SIR: At a meeting of the Orangeburg Bar Association held March 2 the Hon. FRED H. DOMINICK was unanimously indorsed for the position of Federal judge for South Carolina.

This indorsement includes the indorsement of Hon. H. M. Mann, judge of the first circuit, and of Hon. A. J. Hydrick, solicitor of the first circuit.

Please transmit this indorsement to the proper parties for us.

Yours very truly,

THE ORANGEBURG BAR ASSOCIATION,
D. O. HERBERT, *President*.
T. B. BRYANT, Jr., *Secretary*.

LEXINGTON, S. C., March 7, 1929.

The ATTORNEY GENERAL OF THE UNITED STATES,
Washington, D. C.

DEAR SIR: We, the undersigned members of the bar of Lexington County, S. C., respectfully recommend Hon. FRED H. DOMINICK for appointment as United States district judge for the eastern and western districts of South Carolina. He has the poise and temperament as well as the intellectual and legal equipment to make him a great judge.

Respectfully submitted,

GEORGE BELL TIMMERMAN.
G. T. GRAHAM.
T. C. STURKIE.
A. D. MARTIN.
J. D. CARROLL.

R. MILO SMITH.
C. M. EFIRD.
E. L. ASBILL.
CYRUS L. SHEALY.

To His Excellency the PRESIDENT OF THE UNITED STATES,
Washington, D. C.

The undersigned members of the bar of Union, S. C., desire to commend to your favorable consideration the Hon. FRED H. DOMINICK in the matter of appointment of an additional district judge for South Carolina.

Mr. DOMINICK has long been regarded as an outstanding and conscientious member of the bar of South Carolina, and he has filled most acceptably many positions of honor and trust in this State. For a

number of years he has represented the third South Carolina district in the National House of Representatives, where he has proven to be an able, conservative, and fearless member.

We feel that Mr. DOMINICK has ability, the poise, the fairness, and the temperament to make a distinguished member of the Federal judiciary, and we trust you will see fit to name him as a United States district judge for South Carolina.

J. G. HUGHES.
J. FROST WALKER.
P. D. BAERON.
J. A. SAWYER.
A. G. KENNEDY.
MACBETH YOUNG.

W. H. THOMAS.
J. CLYDE GOING.
J. RAYMOND FLYNN.
DONALD RUSSELL.
ED B. SMITH.
JOHN D. LONG.

MARCH 15, 1929.

STATE OF SOUTH CAROLINA,
County of Edgefield.

At a meeting of the members of the bar of Edgefield, S. C., at 10 a. m., March 4, 1929, the following resolution was unanimously adopted:

Resolved, That the members of the Edgefield bar do hereby indorse FRED H. DOMINICK, Member of Congress from this State, for the position of United States district judge recently provided for in this State, and recommend him as well qualified to fill this position, is a gentleman of high character and excellent ability, and his appointment would give more general satisfaction than any other man in the State."

EDWIN H. POLK, *President*.
S. M. SMITH, *Secretary*.

Whereas there exists a vacancy for United States district judge at large for the State of South Carolina; and

Whereas it is the sense of the Greenville Bar Association that only a lawyer of experience and of integrity should be appointed: Now be it

Resolved by the Greenville Bar Association, That this association recommends to the President of the United States for appointment to the vacancy existing in the United States district judgeship for the State of South Carolina FRED H. DOMINICK, Esq., of Newberry, S. C., who is a distinguished citizen of this State, of the highest character, a lawyer of vast experience, and has all the necessary qualifications to make an able and upright judge.

Resolved further, That copies of this resolution be sent to the President of the United States, and to the Attorney General of the United States by the president and secretary of the association, attested by the seal of the clerk of court of Greenville County.

H. K. TOWNES,
President of Greenville Bar Association.
J. M. WELLS,
Secretary.

Attest:

T. E. CHRISTENBERRY,
Clerk of Court of Common Pleas and General Sessions,
Greenville County, S. C.

To the honorable the ATTORNEY GENERAL OF THE UNITED STATES,
Washington, D. C.

SIR: The undersigned attorneys at law, residing in York County, S. C., take pleasure in indorsing and recommending for appointment as United States district judge the Hon. FRED H. DOMINICK.

JNO. R. HART.
JOSEPH R. MOSS.
THOS. F. McDOW.
ROBT. W. SHAND.

Hon. WILLIAM MITCHELL,
Attorney General of the United States,
Washington, D. C.

We, the undersigned members of the bar of the city of Rock Hill, county of York, and State of South Carolina, believing that the Hon. FRED H. DOMINICK is eminently qualified in every way for the position of judge of the United States district court, do hereby indorse and urge his appointment as United States district judge for the eastern and western districts of South Carolina, authorized under the act of Congress recently enacted.

W. B. WILSON.
C. M. SPENCER.
B. J. WHITE.
WM. J. CHERRY.

Whereas it has come to our attention that the name of Hon. FRED H. DOMINICK, of Newberry, S. C., will be presented to the President of the United States for appointment as the third district judge in South Carolina to serve in the eastern and western districts: Now be it

Resolved by the Bar Association of Anderson County, S. C.: First. That we desire to bear testimony to the high character and legal ability of Mr. DOMINICK; and

Second. That we hereby indorse and recommend him to the President for appointment to the said office of the United States district judge.

STATE OF SOUTH CAROLINA,
County of Anderson:

I, R. Lee Wilson, secretary of the Bar Association of Anderson County, S. C., hereby certify that the foregoing is a copy of a resolution adopted by the said association at a meeting held at Anderson, March 4, 1929.

R. LEE WILSON, Secretary.

MARION, S. C., April 13, 1929.

We, the undersigned members of the bar of Marion, S. C., unqualifiedly indorse Hon. FRED H. DOMINICK, of Newberry, S. C., for appointment to the new Federal judgeship from South Carolina. We regard him as the equal in character of the best of the others suggested for that position, and, in our opinion, he is better fitted in ability, experience, and by general character of the legal practice enjoyed by him to perform its duties than any other person so far suggested for the position.

JAS. W. JOHNSON.
W. F. STACKHOUSE.
W. B. NORTON.
F. A. THOMPSON.
JAMES C. HOOKS.
H. E. YARBORO, Jr.

CONWAY, S. C., April 16, 1929.

To the honorable the ATTORNEY GENERAL,

Washington, D. C.:

We, the undersigned members of the Conway bar, having a vital interest in the character and personality of United States district judges who preside or may preside in the district courts of this State, wish to indorse Hon. FRED H. DOMINICK as eminently qualified to serve in this high office. In character, ability, and training he is in every respect the equal of any member of the South Carolina bar who has been suggested for this position. His experience, his mature knowledge of the law, and long experience as a general practitioner eminently qualify him for service as a judicial presiding officer.

SHERWOOD & McMILLAN.
H. H. WOODWARD.
GOODWIN & THOMAS.
W. G. SUGGS.
T. B. LEWIS.
E. S. C. BAKER.
J. O. NORTON.

Resolution of the South Carolina Senate, February 26, 1929

"Whereas the Hon. FRED H. DOMINICK has served faithfully and efficiently as Representative for the third congressional district of South Carolina for the past 12 years; and

"Whereas prior to that time he served as assistant attorney general of South Carolina, and, from the opinions rendered by him and the approval of the Supreme Court of South Carolina, he made apparent his legal ability; and

"Whereas from his experience as an attorney at the Newberry bar, as assistant attorney general, and before the Supreme Court of South Carolina he has demonstrated his ability and efficiency as a lawyer and jurist; and

"Whereas he is a distinguished gentleman of the highest type of honesty and of unquestionable integrity: Now, therefore, be it

Resolved by the Senate, That we indorse the Hon. FRED H. DOMINICK as a suitable and competent person to be appointed as a Federal judge for South Carolina under the terms of the act recently passed by Congress."

The resolution was unanimously adopted.

COLUMBIA, S. C., March 1, 1929.

To the DEPARTMENT OF JUSTICE,

Washington, D. C.

SIRS: I have known Hon. FRED H. DOMINICK for about 25 years. We have been in adjoining counties for that period of time practicing law. He is a man eminently qualified for United States judge; he possesses character and integrity, and I believe he would give entire satisfaction to the bar and litigants in South Carolina. I take great pleasure in recommending him to you in the highest terms.

Yours very truly,

JOHN K. HAMBLIN,
Speaker House of Representatives.

Resolution

"Whereas the Hon. FRED H. DOMINICK has for 12 years served the third congressional district of South Carolina in a most faithful, efficient, and acceptable manner; and

"Whereas prior to his election to Congress he likewise served his State as assistant attorney general in such a manner as to command the respect of the entire citizenship of the State; and

"Whereas as a lawyer of the Newberry bar and before the Supreme Courts of South Carolina and of the United States he has likewise demonstrated his ability as a great lawyer; and

"Whereas he possesses the poise and judicial temperament so necessary to one elevated to the Federal bench; Now, therefore, be it

Resolved by the house, That we indorse the Hon. FRED H. DOMINICK as a most suitable person to be appointed as Federal judge for South Carolina under the terms of the act recently passed by Congress."

Copy of resolution adopted by the house of representatives this day.

J. WILSON GIBBES,

Clerk, House of Representatives.

COLUMBIA, S. C., February 27, 1929.

MARCH 1, 1929.

The ATTORNEY GENERAL,

Department of Justice,

DEAR SIR: I have served in the House of Representatives for many years with Hon. FRED DOMINICK, of South Carolina. Speaking rather impersonally, I can say in all candor that Mr. DOMINICK early in his service here easily took rank with the able men of the House and has well sustained that position until this time. Mr. DOMINICK is an able lawyer, possessing the judicial temperament to a remarkable degree. He is as free from narrowness and bias as any Member of the House, and always exhibits a keen sense of fairness and justice. Mr. DOMINICK is broadgauged, firm, and at the same time sympathetic.

I consider him exceptionally well qualified for any judicial position for which he might be selected. He has the high regard and confidence of the people of his State and section, and I feel that he would be among the last persons within my knowledge to forfeit the same or any part thereof.

Very sincerely,

CORDELL HULL.

MARCH 1, 1929.

MY DEAR MR. PRESIDENT: While serving as a Member of the House I came to know the Hon. FRED H. DOMINICK, a Member from South Carolina.

After years of service one forms an impression of his colleagues.

I observed that Congressman DOMINICK spoke only upon those occasions when subjects coming from the Judiciary Committee were presented to the House. He always received the closest attention, and established a reputation as a thoroughgoing, well-informed, scholarly lawyer.

Some years ago I brought successful impeachment proceedings against Judge English, a Federal judge of Illinois. In presenting this matter to the Judiciary Committee, and again before the House, I came in close contact with Congressman DOMINICK.

His thorough historical understanding of impeachment, the respect and close attention given to him by the great Judiciary Committee of the House when he discussed the matter, added to the fine impression I had formed of him in his general conduct before the House.

I have been told by both Republican and Democratic friends that the very rare distinction was given him of an indorsement of both the Democratic and Republican members of this great committee—an unusual indorsement.

As all factions of his State have united in his behalf, commendations passed by the senate and house of representatives of his State, followed by indorsements of State and local bar associations, I feel that you will understand why I have taken the liberty—a Senator from another State—of adding my word of commendation.

I was in the cloakroom the other day, after the bill creating this judgeship had passed, and some one mentioned the name of Congressman DOMINICK as one that might be considered by Your Excellency.

The universal expression of approval which came from all of those present reinforced my own judgment of his fitness.

You will find him to be a man of courage, fine poise, and good judgment. I believe he would be an ornament to the Federal bench.

Yours sincerely,

HARRY B. HAWES.

COLUMBIA, S. C., March 11, 1929.

President HERBERT HOOVER,

Washington, D. C.

MY DEAR MR. PRESIDENT: The recent Congress created an additional judgeship in South Carolina. I feel that you will not take it amiss if I suggest for your favorable consideration Congressman F. H. DOMINICK, whose character, experience, integrity, and ability eminently qualify him for this position. He has all the elements which go to make a good judge—poise, courage, and an innate sense of right.

With all kind wishes for a most successful administration of the Nation's affairs, and with personal regards,

Yours very truly,

A. F. LEVER.

CHARLESTON, S. C., March 2, 1929.

Hon. W. F. STEVENSON,

Member of Congress, Washington, D. C.:

I am delighted to learn through the newspapers of the suggestion of Hon. FRED H. DOMINICK for the new Federal judgeship authorized for

this State. He is in every way qualified for this eminent position, and I take this opportunity to express my indorsement of his nomination for the same.

JOHN I. COSGROVE.

COLUMBIA, S. C., March 14, 1929.

Hon. WILLIAM D. MITCHELL,

Attorney General of the United States, Washington, D. C.

SIR: In view of the fact that a third Federal judge has been created by a recent act of Congress, I take this means of recommending my life-long friend, Hon. FRED H. DOMINICK, for the appointment for this place.

I have known Mr. DOMINICK since his boyhood days, and have observed closely his conduct and rise in life, and consider him a learned lawyer and most honorable citizen, and feel sure that he will fill the place of Federal judge with dignity and efficiency.

I am a Republican and, of course, loyal to my party, but if this place is to be given to a Democrat, I prefer Mr. DOMINICK to any other Democrat in the State.

Trusting that you will carefully consider Mr. DOMINICK before making the appointment, I am,

Yours respectfully,

SAML. J. LEAPHART.

WASHINGTON, D. C., March 5, 1929.

Hon. WILLIAM D. MITCHELL,

Attorney General of the United States, Washington.

MY DEAR MR. ATTORNEY GENERAL: At a recent meeting of the Texas delegation of the House of Representatives a resolution was adopted indorsing Hon. FRED H. DOMINICK for appointment as judge of the United States District Court for the District of South Carolina. The delegation directed me to advise you of that action, and to express the hope that action favorable to Mr. DOMINICK would be had in this matter.

Very respectfully, yours,

HATTON W. SUMNERS.

FEBRUARY 28, 1929.

The PRESIDENT,

White House, Washington, D. C.

SIR: We, the undersigned members of the Virginia delegation in the House of Representatives, respectfully urge the appointment of Hon. FRED H. DOMINICK to the additional Federal judgeship in the State of South Carolina recently created by an act of Congress.

In our opinion Mr. DOMINICK is eminently equipped to discharge the duties and responsibilities of the position. During his service in the House he has served as a member of the Judiciary Committee, where his ability as a lawyer has been generally recognized. He is in the prime of middle life, possessed of fine legal ability and sound judgment, which has ripened by study and experience, and is still young enough to have the physical and mental vigor necessary to the discharge of the exacting duties which devolve upon a Federal judge.

Mr. DOMINICK commands the admiration and respect of members of the bar and possesses a manly courage and independence which are so essential in a judicial position.

Respectfully,

S. O. Bland, first district of Virginia; J. T. Deal, second district of Virginia; A. J. Montague, third district of Virginia; P. H. Drewry, fourth district of Virginia; Joseph Whitehead, fifth district of Virginia; Clifton A. Woodward, sixth district of Virginia; T. W. Harrison, seventh district of Virginia; R. Walton Moore, eighth district of Virginia; George C. Peery, ninth district of Virginia; H. S. G. Tucker, tenth district of Virginia.

We, the undersigned Members of the House of Representatives from the State of Maryland, convinced of his fitness for high judicial office, do hereby take pleasure in indorsing the Hon. FRED H. DOMINICK for appointment to the Federal judgeship recently created by act of Congress for the State of South Carolina.

J. CHARLES LINTHICUM.
WILLIAM P. COLE, JR.
STEPHEN W. GAMBRILL.
T. ALAN GOLDSBOROUGH.

MARCH 1, 1929.

To the ATTORNEY GENERAL.

SIR: The undersigned Members of the North Carolina delegation in the House of Representatives take great pleasure in commending to your consideration the Hon. FRED H. DOMINICK for appointment to the Federal judgeship recently created in South Carolina. Mr. DOMINICK is a lawyer of eminent qualifications and would fill the position with great dignity and ability.

LINDSAY C. WARREN.
JOHN H. KERR.
CHARLES L. ABERNETHY.
EDWARD W. POU.

R. L. DOUGHTON.
WM. C. HAMMER.
H. L. LYON.
A. L. BULWINKLE.

To the honorable the ATTORNEY GENERAL,

Department of Justice, Washington, D. C.

MY DEAR SIR: We, the undersigned Members of the United States House of Representatives from the State of Georgia, hereby indorse the Hon. FRED H. DOMINICK, of Newberry, S. C., for appointment as United States judge for the newly created Federal district in that State. We are personally well acquainted with him, admire his high moral character, and conscientiously believe he is peculiarly well suited for the position. We hope that you may find it consistent to recommend him for appointment.

Respectfully,

William J. Harris, United States Senator; Walter F. George, United States Senator; Charles G. Edwards, E. E. Cox, C. R. Crisp, W. C. Wright, L. J. Steele, S. Rutherford, M. C. Tarver, C. H. Brand, Thos. M. Bell, Carl Vinson, W. C. Lanford, W. W. Larsen.

MARCH 5, 1929.

The ATTORNEY GENERAL,

Department of Justice, Washington, D. C.

SIR: The Seventieth Congress in its closing days provided for an additional United States district judge for the State of South Carolina. The friends of Hon. FRED H. DOMINICK, who know him well, are interesting themselves with the hope that he may be appointed to this position. The undersigned, constituting the entire Florida delegation of the House of Representatives, respectfully bring his name to your attention, with the hope that in this connection he may be seriously considered.

Mr. DOMINICK has served in the House of Representatives six continuous terms, beginning with the Sixty-fifth Congress, and is now a Member of the Seventy-first, having been elected for the seventh time in his State. By temperament, training, high personal character, and profound learning, he is in every way qualified for the position, and we would, therefore, respectfully urge favorable consideration of his name.

Sincerely yours,

HERBERT J. DRANE,

Member Congress, First District of Florida.

R. A. GREEN,

Member Congress, Second District of Florida.

TOM A. YON,

Member Congress, Third District of Florida.

RUTH BRYAN OWEN,

Member Congress, Fourth District of Florida.

HOUSE OF REPRESENTATIVES, UNITED STATES,

Washington, D. C., February 27, 1929.

We, the Members of the House delegation from the State of Mississippi, having been advised of the signing of the bill by the President authorizing the appointment of an additional Federal judge for the eastern and western districts of South Carolina, do hereby indorse Hon. FRED H. DOMINICK, of South Carolina, for this position.

Pat Harrison, United States Senator; H. D. Stephens, United States Senator; J. E. Rankin, Percy E. Quin, William Whittington, Jeff Busby, Ross A. Collins, J. W. Collier, T. Webber Wilson, B. G. Lowrey.

LAFAYETTE, ALA., February 27, 1929.

Hon. J. J. MCSWAIN,

Member of Congress, Washington, D. C.

Having known the Hon. FRED H. DOMINICK for seven years, and for three years having been closely associated with him as a fellow member of the Judiciary Committee of the House of Representatives, I feel that I am competent to judge of his ability and fitness for appointment as Federal judge. I unhesitatingly say that in my opinion Mr. DOMINICK is peculiarly fitted for this position. He is a lawyer of rare attainments and his personal character will make of him a judge who will adorn the bench.

W. B. BOWLING.

FEBRUARY 28, 1929.

To the PRESIDENT,

The White House:

We, the undersigned Representatives in Congress from Alabama, earnestly commend to your consideration the appointment of Hon. FRED DOMINICK to the judgeship of the new Federal judicial district in South Carolina.

We have served with him in Congress for years, and this association has given the opportunity to observe that Mr. DOMINICK possesses those qualities of character, temperament, and ability which should attach to a judicial position of high importance. Mr. DOMINICK is recognized by the bar of his State as a lawyer of unusual ability. As a member of the Judiciary Committee of the House he has greatly con-

tributed to the legislation of recent years. We feel that he would reflect credit upon the Federal judiciary and urge his appointment.

With great respect,

Yours very truly,

E. B. ALMON.
W. B. BANKHEAD.
W. B. OLIVER.
JOHN McDUFFIE.
GEORGE HUDDLESTON.

HENRY B. STEAGALL.
LISTER HILL.
L. L. PATTERSON.
MILES C. ALLGOOD.
LAMAR JEFFERS.

MARCH 1, 1929.

The honorable ATTORNEY GENERAL OF THE UNITED STATES,

Washington, D. C.:

We, the undersigned, are convinced that by reason of his profound knowledge of the law and his unusual judicial temperament the Hon. FRED H. DOMINICK would serve with distinction in any judicial capacity in the United States, and therefore take this method of giving our unqualified indorsement of his appointment as district judge in South Carolina.

Ralph F. Lozier, second Missouri district; M. A. Romjue, first Missouri district; J. L. Milligan, third Missouri district; Clyde Williams, thirteenth Missouri district; George H. Coombs, jr., fifth Missouri district; Clarence Cannon, ninth Missouri district; W. L. Nelson, eighth Missouri district; John J. Cochran, eleventh Missouri district; Sam C. Major, seventh Missouri district.

THE "VESTRIIS" DISASTER

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the RECORD three editorials urging the adoption of the resolution offered by me and now pending providing for an investigation of the *Vestris* disaster.

The VICE PRESIDENT. Without objection, leave is granted. The matter referred to is as follows:

[From The World, Wednesday, May 1, 1929]

THE "VESTRIIS" AND THE WAGNER RESOLUTION

Testimony is heard in the British Board of Trade inquiry in London that the steamship *Vestris*, which sank last November with a loss of more than a hundred lives, including all the children among the passengers, was permitted to leave New York with 200 tons more cargo than she would have been allowed to carry out of a British port. The excess was not merely a matter of water ballast which could be pumped out; it was heavy cargo.

That loading was legal in this country. We learned from the inquiry before Commissioner O'Neill in New York that not only were ships under any flag permitted thus to be overloaded in our ports but ships under foreign flags were subjected to a less rigorous inspection as to lifeboats and other details of equipment for safety than our own merchant shipping. Thus the *Vestris* was apparently allowed to leave port without complying either with the British or the American rules regarding life preservers. There were and are many similar loopholes for disaster.

The resolution of Senator Wagner, reintroduced this session, calling for an inquiry by a select committee of five Senators into safety at sea as guarded, or imperiled, by our port rules and inspection, should be passed without question. Such an inquiry would not only "collect, collate, coordinate, and make available to the Senate" the results of our own inquiries, but also include such "further investigation" as seemed desirable. The London testimony would be available to the committee. In this matter we can not afford to let things drift. We should have legislation, based on preliminary alignment of facts and needs, to protect life at sea. It is up to Congress. Let the Senate act.

[From the Washington Post, Sunday, February 24, 1929]

"VESTRIIS" LESSON UNHEEDED

Senator WAGNER, of New York, on Friday assailed the several *Vestris* inquiries and deplored the fact that thus far no tangible steps have been taken to prevent its duplication. He called attention to the fact that the investigations recommended congressional inquiries and that he had introduced a resolution to that end some time ago. The resolution, he said, is "slumbering" in committee, and he demanded immediate action upon it. Senator JONES, chairman of the Commerce Committee, in reply said that the matter had been referred to a subcommittee and that a report was expected before adjournment.

In a magazine article published recently Rear Admiral William S. Sims asserts that responsibility for safety at sea in the final analysis lies with the public. Complete safety, despite the best efforts of navigators and designers, is an impossibility without an international agreement that would close the ports of the world to passenger vessels not conforming to proper design. Until public opinion has been sufficiently educated to demand safety instead of speed and luxury, he adds, no shipowner can possibly afford to build the completely safe ship, which, because it would lack certain luxurious touches, could not compete with other ships.

There is, of course, a happy medium between the theoretical absolutely safe ship and the luxurious accommodation that modern travelers demand. The medium probably is exemplified by most of the modern liners. The *Vestris*, however, fell short of the standard, and a tragedy resulted. How many other ships, short of the standard, ply the waters to and from American ports?

Before the tragedy of the *Vestris* becomes a hazy memory it should be made the basis of an extensive investigation to establish what reforms, if any, are needed in the American ship registration and inspection code. Further delay should not be permitted. Too many days have passed already without serious effort to profit by the warnings conveyed by that disaster.

[From the Washington Post, December 7, 1928]

CONGRESS SHOULD INVESTIGATE

Two resolutions asking for investigations by the Senate into the sinking of the *Vestris* have been introduced. Senator WAGNER, of New York, proposes that the Senate select five of its Members for the work and that \$50,000 be appropriated from the contingent fund of the Senate to cover the expenses. Senator JONES, of Washington, urges appointment of a joint committee composed of three Senators and three Representatives to conduct an investigation and make recommendations for safety at sea.

Investigations have been made of the *Vestris* disaster by the United States district attorney of New York and by the Steamboat Inspection Service. These investigations did not bring out all the facts. Witnesses in some instances palpably withheld information. The public is not at all satisfied with the situation as it stands. In order to promote safety at sea it is desirable that Congress should have full information concerning the causes of the *Vestris* disaster.

Senator WAGNER suggests that the proposed committee investigate the adequacy of the present legal standards of safety in ship construction, the efficiency of the Steamboat Inspection Service, the laws governing loss of life and property at sea, the laws and usages of salvage, and safety devices for sea craft. He would have the committee study the whole subject of safety on the sea, making reports to Congress, and finally submitting a detailed report, with recommendations for necessary legislation.

The Wagner resolution ought to be adopted.

RESIGNATION OF EUGENE MEYER, FARM LOAN COMMISSIONER

Mr. WATSON. Mr. President, I ask unanimous consent to have inserted in the RECORD a letter written by Eugene Meyer to the President, resigning from the Federal Farm Loan Board, a letter written by the President to him, and one by Secretary Mellon to Mr. Meyer.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The letters referred to are as follows:

TREASURY DEPARTMENT,
Washington, April 3, 1929.

The PRESIDENT,

The White House.

DEAR MR. PRESIDENT: Nearly two years ago I accepted appointment as a member of the Federal Farm Loan Board and was designated as farm loan commissioner. I undertook the work, as you know, at the request of President Coolidge and Secretary Mellon in connection with the reorganization of the Farm Loan Board to meet the situation which then confronted the farm loan system. One of the largest joint-stock land banks had just been placed in the hands of a receiver and receiverships for two other joint-stock land banks were impending; a number of Federal and joint-stock land banks were faced with difficult situations; public confidence was impaired; and the Farm Loan Bureau had not been adequately organized to meet its problems.

Since that time the various units of the Farm Loan Bureau, including the appraisal, examining, and legal divisions, have been virtually reconstructed, and a trained and competent organization has been developed to enable the board properly to discharge the responsibilities devolving upon it. Examinations of the banks and national farm loan associations are being conducted in a thorough and efficient manner; improper and irregular practices that had grown up in some of the banks have been eliminated; sound accounting methods are being followed, and the published statements of the condition of the banks are more accurate than ever before; the management of banks faced with difficulties has been strengthened and reorganized in cooperation with their boards of directors, and they are now in a position to deal effectively with their problems; and the Farm Loan Board's supervision of the system has been made a vital and effective force.

The progress that has been made in these directions is outlined in detail in the annual report of the board for 1928, which was submitted to Congress on March 2, 1929. While, of course, much remains to be done, as always will be the case in a system of this magnitude, I think I am entirely correct in saying that the task of reconstruction has been accomplished or is actively under way, public confidence has greatly improved, and the situation in all its details is well in hand. The re-

organized board has worked harmoniously and assiduously to bring about these results, and it has had the cooperation not only of the banks of the system generally, but also of a large number of public-spirited men in various sections of the country. I hope and believe that what has been done during the past two years has materially strengthened the system and will prove to be of permanent value to the agricultural interests which it was created by the Congress to serve.

I have felt it incumbent upon me to continue with the work until the essential requirements of the situation had been effectively met. That point now having been reached, I feel that I am justified in asking that you relieve me of my duties as a member of the board and farm loan commissioner in the near future, and I therefore tender my resignation, to take effect on May 10, 1929, when I shall have completed two years of service in this capacity.

With all good wishes for the success of your administration, I remain,
Sincerely yours,

EUGENE MEYER,
Farm Loan Commissioner.

THE WHITE HOUSE,
Washington, April 29, 1929.

HON. EUGENE MEYER,
Farm Loan Commissioner, Federal Farm Loan Board,
Washington, D. C.

MY DEAR MEYER: I received your letter of April 3, in which you tender your resignation as Federal farm-loan commissioner and a member of the Federal Farm Loan Board.

I intensely regret that your decision is irrevocable, and that, in the circumstances, the duty devolves upon me to accept your resignation.

I particularly wish to take this opportunity to express the appreciation which all of us hold for the work you have accomplished as farm-loan commissioner during the past two years. I know that you undertook the difficult task of reconstruction at a time when the farm-loan system was confronted with a critical situation and public confidence had been impaired. Under your leadership the administration and supervision of the system has been greatly strengthened; this great institution of service to the farmers has been placed on a sounder basis, and public confidence has been materially improved, and will be of lasting benefit to the agricultural interests of the country.

I am aware that after 10 years of public service you unwillingly undertook this additional 2 years of service, and I can realize your desire to be relieved. I earnestly wish, however, that you could remain in public service where your high qualifications and sense of service so respond to public interest.

Yours faithfully,

HERBERT HOOVER.

THE SECRETARY OF THE TREASURY,
Washington, May 1, 1929.

HON. EUGENE MEYER,
Farm Loan Commissioner, Treasury Department, Washington.

DEAR MR. MEYER: It is with great regret that I learn that you are to leave the Treasury. For more than eight years I have been associated with you, first in the work of the War Finance Corporation and afterwards during your administration of the Federal Farm Loan Bureau. During this time I have learned to rely upon your judgment and to feel a sense of security in your handling of all the varied and difficult problems connected with furnishing adequate credit for agriculture.

Under your direction the War Finance Corporation was conducted in such a way that it not only helped to relieve a serious credit stringency which then existed in the agricultural community but it also had a far-reaching effect in helping the farmer to avoid the necessity of enforced liquidation of his products on a demoralized market.

Later, when the necessity arose for reconstructing the Farm Loan Board and reorganizing the operation of the farm-loan system, you again gave the Government the benefit of your experience and judgment. I know with what reluctance and at what personal sacrifice you agreed to undertake this formidable task; and it should be a source of the greatest satisfaction to you to know that as a result of your efforts the system has been made to function in a more useful manner and has been materially strengthened in the confidence of the country.

All of these duties you have discharged in a way to merit the highest approval. I wish to take this opportunity not only to thank you for the services you have rendered but to express also the pleasure which I have had during the years in which we have been associated together in the work of the Treasury.

With kind regards, I am, sincerely yours,

A. W. MELLON,
Secretary of the Treasury.

EXPORT DEBENTURE PLAN FOR AGRICULTURAL RELIEF (S. DOC. NO. 5)

Mr. FESS. Mr. President, I ask unanimous consent to have inserted in the RECORD the letter of the President to the Senator from Oregon [Mr. McNary]; also the letter of Secretary Mellon; also the letter of Secretary Hyde; and also a study by John D.

Black on the debenture plan. I ask that these be inserted in the RECORD, and also that they be printed as a Senate document (S. Doc. No. 5).

The VICE PRESIDENT. Without objection, it is so ordered.
The matter referred to is as follows:

THE WHITE HOUSE,
Washington, April 20, 1929.

The Hon. CHARLES L. McNARY,
United States Senate.

MY DEAR MR. SENATOR: On April 12 I received a call from yourself and Senators CAPPER, HEFLIN, NORBECK, and RANDELL, acting as a subcommittee of the Senate Committee on Agriculture, requesting my opinion on the "export debenture plan" for agricultural relief, since it is a complete departure from the principles already debated during the campaign. I informed the committee that I would request an analysis of the plan by the Departments of Agriculture, Treasury, and Commerce, and would transmit them to the committee together with my conclusions after investigation. The departments have given it earnest consideration and I have just received and studied these reports which I transmit to you herewith.

The principle of this plan as set out in the draft bill of your committee which is before me is to issue a Government debenture to merchants exporting agricultural products in amount of one-half of the tariff on such products—such debentures to be redeemed by presentation for payment of import duties. The assumption is that by creating a scarcity through stimulating exports that the domestic price will rise above world prices to the amount of the debenture—that is, if the debenture on wheat exports is 21 cents a bushel, the price of wheat will be 21 cents higher in the domestic market than in the world market.

I am aware of the arguments put forward in favor of the plan by some of our agricultural organizations, and the arguments of other farm organizations in opposition to it. The proposers advance it in the utmost good faith and earnest desire to assist in solution of a great problem, and I regret deeply that I can not agree that this provision would bring the results expected. On the contrary I am convinced that it would bring disaster to the American farmer.

The weaknesses of the plan as set forth in the Senate bill may be summarized as follows:

First. The issue of debentures to export merchants and their redemption in payment of import duties amounts to a direct subsidy from the United States Treasury. If the plan proposed be generally applied, it would cost in excess of \$200,000,000 a year, as it would decrease the Treasury receipts by such an amount.

Second. The first result of the plan, if put into operation, would be a gigantic gift from the Government and the public to the dealers and manufacturers and speculators in these commodities. For instance, in the principal export commodities the value of the present volume of stocks in possession of these trades would, if the plan worked, rise by from \$200,000,000 to \$400,000,000, according to different calculations, without a cent return to the farmer or consumer. Every speculator for a rise in our public markets would receive enormous profits. Conversely, if after this elevation of prices the plan were at any time for any reason withdrawn, the trades would suffer a like loss and a long line of bankruptcies must ensue. But in the meantime the trades, out of fear of withdrawal or of reduction in the subsidy, would not engage in normal purchase and distribution. Either exorbitant margins would be required or alternatively the farmer would be compelled to himself hold the Nation's stocks until there was a demand for actual consumption.

Third. If the increased price did reflect to the farmer, the plan would stimulate overproduction and thereby increase world supply, which would in turn depreciate world prices, and consequently decrease the price which the farmer would receive, and thereby defeat the plan. Stimulation of production has been the outstanding experience abroad where export subsidy has been applied. Overproduction will defeat the plan, and then upon its withdrawal agriculture would be plunged into a catastrophe of deflation from overexpanded production. The farmer's difficulties to-day are in some part due to this process after the war.

Fourth. The stimulation of production of certain commodities would disturb the whole basis of diversification in American agriculture, particularly in the cotton and wheat sections, where great progress is now being made toward a more stable basis of agriculture.

Fifth. Although it is proposed that the plan should only be installed at the discretion of the farm board, yet the tendency of all boards is to use the whole of their authority, and more certainly in this case, in view of the pressure from those who would not understand its possibility of harm, and emphatically from the interested dealers in the commodity.

Sixth. It is not proposed to pay the debentures of subsidies to the farmers, but to the export merchants, and it seems certain that a large part of it would not be reflected back to the farmer. It offers opportunity for manipulation in the export market, none of which would be of advantage to the farmer. The conditions of competitive marketing

at home and abroad and the increased risks would absorb a considerable part of its effect into the distribution and manufacturing trades. Moreover, the theoretical benefits would be further diminished by the fact that debentures would sell constantly at a discount, for the reason that persons paying duties upon imports would not take the trouble to accumulate the debentures and lose interest upon them unless obtainable at a discount.

Seventh. The provision of such an export subsidy would necessitate a revision of the import tariffs. For instance, an export subsidy of 2 cents a pound on raw cotton would mean the foreign manufacturers would be receiving cotton at 2 cents a pound less than the American manufacturer, and the foreigner could ship his manufactured goods back into the American market with this advantage. As the subsidy in many cases is larger than the freight to foreign ports and back, it raises large opportunities of fraud in return-shipment activities.

Eighth. Export bounties are recognized by many nations as one form of dumping. I am advised that a similar action by another nation would be construed as a violation of our own laws. Such laws are in force in the principal countries of our export markets and to protect their own agriculture would probably lead to action which would nullify the subsidy given by us.

Ninth. A further serious question arises again (if the plan did have the effect intended) where the foreign producer of animals would be enabled to purchase feed for less than the American farmer producing the same animals. For instance, the swine growers in Ontario would be able to purchase American corn for less than the American farmers across the border, and it would tend to transfer the production of pork products for export to Europe from the United States to Canada. It would have the same and probably even more disastrous effect in dairy products.

Tenth. The plan would require a substantial increase in taxes, as no such expenditure or depletion of revenues as this plan implies could be paid from marginal income of the Government, more particularly in view of the very large increased expenditures imposed by the naval program, flood control, and other branches of farm relief.

Altogether, from the above reasons, it is my belief that the theoretical benefits would not be reflected to the American farmer; that it would create profiteering; that it contains elements which would bring American agriculture to disaster.

The introduction of such a plan would also inevitably confuse and minimize the much more far-reaching plan of farm relief, upon the fundamental principles of which there has been general agreement.

Yours faithfully,

HERBERT HOOVER.

THE SECRETARY OF THE TREASURY,
Washington, April 19, 1929.

HON. CHARLES L. McNARY,

United States Senate.

MY DEAR SENATOR McNARY: The President has requested me to express to you the opinion of the Treasury Department of the principle underlying the so-called export debenture plan of farm relief.

As outlined in a number of bills which have been introduced in Congress, the general plan provides for the issuance of export debentures by the Secretary of the Treasury to exporters of such agricultural commodities, or products thereof, as are specified in the bills or which may be designated by a proposed farm board. The debenture rates are prescribed by the bills, or the board, with power in the board to change the rates from time to time. The rates fixed by the recent bills are half the existing tariff rates on the same commodities, except that for tobacco and cotton the rates have been fixed at 2 cents a pound. The debentures will be receivable at par within one year of date of issue in payment of customs duties. In some of the bills the total amount of debentures that may be issued in any one year is limited in some manner relative to the customs receipts. In others there is no such limitation. Generally speaking, the bills also provide for a reduction of the debenture rate, and even for total suspension in the event of a very great increase in domestic production of the commodity in question.

The issuance of a Treasury debenture is indistinguishable in principle and in its effect on the Treasury from a cash bounty on exports. Nor is it apparent that payment in debentures rather than in cash offers any advantages. Quite the contrary. If the bounty is paid in cash, the farmer, in whose interests the plan is devised, will more nearly get the full benefit, whereas it is inevitable that he will receive considerably less than the face value of the debenture. The debentures must inevitably sell at a discount if for no other reason than that they involve a certain inconvenience and will entail a considerable cost in handling and marketing, and since they do not bear interest must inevitably be charged with the cost of carrying them until presentation at a customs house. Ultimately most of them will find their way to New York, where approximately half of our customs receipts are paid, and presumably they will be dealt in there at quotations which may vary widely, depending on the amount of debentures issued and the demand therefor, seasonal and otherwise. Machinery will have to be set up for transferring

debentures from Galveston, let us say, to New York, and for their sale there, which will necessarily involve banking and brokerage charges.

If issued in large amounts, as they may well be, it is likely that the debentures will sell at a very considerable discount, which would not only deprive the farmer of a portion of the benefit arising from the debenture rate, but represent a bonus to importers, and would seriously dislocate the tariff schedules fixed by the Congress. It is not apparent, even admitting the desirability of paying an export bounty, why machinery should be set up, the effect of which might be to permit the importation of, let us say, butter from Denmark or wool from Australia at rates lower than those established by law. Such a method of reducing tariff rates would unquestionably injure some American farmers in order to benefit other farmers, whereas if a cash bounty were paid the latter would get the full benefit and there would be no dislocation of tariff schedules such as might prove injurious to our present manufacturing prosperity, which is an important factor in supporting the farmers' domestic market.

The second major question is whether it is economically desirable to pay a cash bounty on the exports of a commodity which is already produced in excess of domestic requirements. I think not. Exports would be stimulated, and, under the pressure of a consequent decreased domestic supply, domestic prices would rise. This would stimulate increased production. In the meanwhile, increased exports dumped on the world market would depress world prices, thus depriving the producer of the full benefit of the contemplated bounty. There is no doubt, I think, but that the effect of this program would be to depress world prices and to increase domestic prices and to give to the American producer a price higher than he would otherwise obtain, the increase, however, not being by the full amount of the cash bounty. But as production increased in this country under the stimulus of higher domestic prices there would be a constant tendency for the bounty benefit to melt away.

It is true that, recognizing this tendency, the various plans proposed provide in the event of sharply increased production for a gradual diminution of the bounty, and even its entire suspension. As framed, however, this action would appear to be too long delayed to be truly effective; and there is a very real danger that a substantial increase will take place in domestic production, leading to the automatic suspension of the bounty, and that the farmer will then find himself in a worse situation than he is to-day.

The truth is that the real justification for a bounty on exports is to encourage domestic production up to a point where the country will be economically self-sufficient. The principle has no application where a country is already producing more than enough to meet its domestic requirements, and under these circumstances an export bounty would seem to be an illogical and unsuitable instrument for effecting a readjustment of domestic prices.

The experience of European countries with bounties on sugar may be of interest in connection with this proposal for a bounty on American agricultural products. The original purpose of the foreign bounties was to stimulate production rather than to increase the income of the agricultural population. A cash bounty was paid the producers of sugar and the results desired were obtained. In Germany it was planned to cover the costs of the production bounty on sugar by collections from an internal-revenue tax on the domestic consumption of sugar, but production increased so far out of proportion to the domestic consumption that within a comparatively few years the net effect was not to produce revenue. Some time thereafter the sugar bounties so far exceeded the revenue from the sugar tax that the treasury sustained a considerable loss, while sugar was being sold abroad at considerably less than the domestic price and somewhat less than the actual cost of production. Consequently the bounties on such sugar production had to be removed. There were no limits to production in the granting of such bounties.

Moreover, it is hardly to be assumed that foreign countries with important agricultural interests to protect will permit their producers to be subjected to a price war subsidized from the United States Treasury without adopting protective measures. It is highly probable, therefore, that they will levy countervailing tariff rates equal in amount to our export bounty, thus entirely nullifying the effect of the latter as an aid to our producers and drawing the amount of the bounty funds into their own treasuries. The United States was one of the first nations to place countervailing duties against the bounty-produced sugars of the various European countries.

It is apparently contemplated to apply the plan to products of which we produce a surplus and which are on the free list, notably cotton. This must inevitably give rise to insuperable administrative difficulties in order to avoid wholesale fraud. Again, considerable difficulty is now encountered in the administration of the customs laws in determining the component material of chief value in an imported article. In the light of this experience there would be even greater administrative problems in working out the debenture or bounty rate in the case of articles manufactured from agricultural products.

It seems unnecessary to point out that the program will, of course, entail a sharp diminution in customs receipts accompanied by increased

expenses of administration and a corresponding need for supplementing the loss by increased taxation along other lines. This in itself is by no means a serious objection if the plan could fairly be said to promise substantial benefit to American agricultural producers.

Very truly yours,

A. W. MELLON,
Secretary of the Treasury.

DEPARTMENT OF AGRICULTURE,
Washington, D. C., April 20, 1929.

HON. CHARLES L. McNARY,
United States Senator.

DEAR SENATOR: At the request of the President, I am offering you my comments on the export debenture plan in the Ketcham bill, H. R. 12892, Seventieth Congress, first session.

"A bill to foster agriculture and to stabilize the prices obtained for agricultural commodities by providing for the issuance of export debentures upon the exportation of such commodities."

Sections 1 to 4 and 10 to 17 of this bill are in the main similar to other farm-relief measures providing for a Federal farm board, loans, and other encouragement to cooperative marketing associations, price insurance, etc. Sections 5 to 9, to which this analysis will be confined, include the so-called debenture plan.

The export debenture plan proceeds upon the hypothesis that it should be the policy of the Government to raise the level of domestic prices for farm products and to dispose of the surplus upon the world markets at the Government's expense. The discussion of the plan which follows is based on this hypothesis and logically falls under four heads: (1) Would the debenture plan be an effective and convenient means of accomplishing this purpose? (2) What would be the probable cost of this plan? (3) What would be the probable consequences to agriculture of the operation of this plan? (4) What has been the experience of foreign countries that have tried somewhat similar plans?

Before discussing these questions it is necessary to outline the principal provisions of the debenture plan in this bill.

Section 6 designates swine, cattle, corn, rice, wheat, cotton, and tobacco as "debenturable commodities." Other farm products produced in quantities beyond domestic requirements and on which a tariff is levied may be added to this list by presidential proclamation, if it is found that the cost of producing the commodity in the United States "is greater than the cost of producing such commodity in competing foreign countries." No attempt will be made here to analyze the possibility of using differences in cost of production as a standard for extending this plan to farm products other than the seven products specified in the bill. It should be noted, however, that since much time would be required in determining cost of production here and abroad, it would not be possible to resort to this feature of the plan in time to meet emergencies due to severe depression in the price of a commodity under the weight of an exceptional surplus.

My comments will be confined to the seven specified commodities. The Secretary of the Treasury is directed to issue to any exporter, under regulations prescribed by the Federal farm board, export debentures in the form of negotiable certificates upon the exportation of debenturable farm products. The following rates are specified:

(1) Swine, one-quarter of 1 cent per pound; fresh pork, three-eighths of 1 cent per pound; bacon, hams, shoulders, and other pork, prepared or preserved, 1 cent per pound; lard, one-half of 1 cent per pound.

(2) Cattle weighing less than 1,050 pounds, three-fourths of 1 cent per pound; cattle weighing 1,050 pounds or more, 1 cent per pound; fresh beef and veal, 1½ cents per pound.

(3) Corn and maize, including cracked corn, 7½ cents per bushel of 56 pounds; corn grits, meal, and flour, and similar products, 15 cents per 100 pounds.

(4) Paddy or rough rice, one-half of 1 cent per pound; brown rice (hulls removed), five-eighths of 1 cent per pound; milled rice (bran removed), 1 cent per pound; broken rice and rice meal, flour polish, and bran, one-quarter of 1 cent per pound.

(5) Wheat, 21 cents per bushel of 60 pounds; wheat flour, semolina, crushed or cracked wheat, and similar wheat products not specially provided for, 52 cents per 100 pounds.

(6) Cotton, 2 cents per pound.

(7) Tobacco, 2 cents per pound.

The debenture certificate would be negotiable and redeemable at par by the bearer in the payment of import duties within one year from the date of issuance. Except in so far as exporters of debenturable commodities are also importers, the certificates necessarily would be sold sufficiently below par to induce importers to use them in preference to cash in the payment of import duties. Foreign experience shows that import or export certificates usually sell at some discount from par value. To the extent, at least, of such discount, the farmer would lose the full effect of the subsidy in the price he received of the amount of such debenture certificates.

Revenues from import duties would be reduced by the total face value of the debentures issued. The extent of this loss to the Treasury would

equal the debenture rate times the quantity exported of each of the debenturable commodities. If the plan had been in operation in the three fiscal years 1926 to 1928 on the basis of the volume of exports in those years, the annual average loss to the Treasury on account of the seven commodities specified in the bill would have been \$153,000,000, or 26.2 per cent of the average of all customs receipts for these years.

In practice, however, the loss to the Treasury would have been greater than indicated in this table because of increased exports. An increase in the price of these products by the amount of the export debenture (less the figure at which the certificates would have sold below par) probably would have stimulated production and would have tended to decrease domestic consumption. The degree to which production might be stimulated, however, would depend upon the level of prices resulting from the use of the debentures and the prospects for increased incomes through the expansion of farm operations.

The administration of the proposed plan would not be difficult. On a strictly theoretical basis it should increase the domestic price of each debenturable farm commodity by the amount of the export debenture, less the discount on the certificate and provided competition between exporters in bidding up the domestic price were sufficiently effective to hold the price of the commodity up to the full amount of the world price, plus the debenture, less the discount on the certificate.

Applying the debenture rates to the average estimated sales by farmers of debenturable commodities for the three fiscal years 1926 to 1928 gives an annual average increase of \$515,000,000 in the gross value of the seven debenturable products marketed by farmers. As a matter of fact, this sum could hardly be realized, because, as already indicated, it is not reasonable to assume that the debenture rate could be translated in full into higher prices to producers, since the debentures would exchange only at some discount. Furthermore, it is possible that exporters may not bid prices up to the full extent of the debenture less the normal exchange discount on the certificate. It is, therefore, possible that exporters might be in a position to derive an extra profit by not reflecting in prices paid to farmers the real value of the debentures. In order to dispose of the surplus the exporter would have to make some price concessions to meet the competition from other countries and this would tend to depress world prices.

As a consequence of an increase in domestic prices of debenturable commodities, production would be stimulated. Production of debenturable commodities has materially increased following the adoption of debenture plans in foreign countries. In an effort to prevent overstimulation in this country H. R. 12892 (sec. 8b) provides for a so-called "flexible rate" of debentures. If the board should find that the average annual production of any debenturable livestock commodity or the average acreage of any other debenturable agricultural commodity "for the last two preceding years has exceeded the average annual production or acreage of such commodity from the seventh to the third preceding year, the board may invoke the flexible debenture." If this increase should be more than 5 per cent, but less than 10 per cent, the debenture rate would be reduced 25 per cent. Should the increase be 10 per cent, but less than 15 per cent, the reduction would be 50 per cent, and should the increase be 15 per cent or more the "issuance of debentures shall be suspended for a period of one year."

It is very doubtful that the flexible rate provision of the bill would have any material influence in checking the expansion in production. The average annual acreage of wheat harvested in the past five years has been, in round figures, 55,500,000 acres. Under the proposed plan the producers would be free to increase their average acreage in the first two years of this debenture plan by 5 per cent before being obliged to accept a reduction of 25 per cent in the export debenture. In other words, the farmers could increase the acreage from 55,500,000 to more than 58,000,000 acres before the export debenture of 21 cents would be reduced to 15½ cents. It is hardly reasonable to suppose that the farmers who harvested an annual average of about 55,500,000 acres of wheat in the past five years for an average price of about \$1.20 per bushel would be induced not to expand production by the fear of having to accept an increase of only 15½ cents over this price instead of an increase of 21 cents, the full amount of the debenture.

It appears from our study of the effect of export debentures in other countries that it has operated to increase production. In Germany from 1890-1893 to 1909-1913, under the operation of the plan, the acreage of wheat remains substantially the same, but that the average production increased from 104,000,000 to 152,118,000 bushels, an increase of 46 per cent. In the same country the acreage in rye increased from 14,203,000 to 15,387,000, whereas the average production increased from 245,449,000 bushels to 445,222,000 bushels, an increase of 81 per cent. Substantially the same results were realized with respect to oats and barley. The experience with it in Sweden has been for a relatively short time, but it appears that the wheat area of that country has expanded from 363,000 acres in 1925 to 574,000 acres in 1927, and that the average production has increased from 13,359,000 bushels to 16,151,000 bushels. This increase in yields no doubt was due partly to the increased use of fertilizers and better cultural methods in Germany as in other countries.

As a consequence of the operation of the debenture plan there would be a tendency in farming to shift from many lines of production toward the production of debenturable commodities, especially those with a short production cycle—grain and cotton, for example—the acreage of which could be increased greatly from one year to the next in the expectation of realizing quickly the benefits of the debenture. This would at least temporarily disturb established production programs. Furthermore, should the support of prices provided through this plan be removed, the debenturable commodities would be left in an overstimulated condition and agriculture would stand to suffer accordingly. An inquiry might well be made into the probable effect of the debenture plan upon existing farming. In some sections, notably the South, where leaders of agricultural thought are putting their efforts behind programs of diversified farming, it might result disastrously by putting a premium upon the 1-crop system. The same inquiry might well be made with reference to those States which have made considerable advancement in developing the dairy industry.

It should be noted also that an increase in our exports of a commodity would tend to depress world prices. This would tend to reduce the effectiveness of the debentures and necessitate further increases in debenture rates in order to maintain prices.

While the debenture bill provides for flexible debenture rates with respect to an increase in production, it does not provide a means for making debenture rates responsive to changes in world prices. If, for instance, world conditions of competition and demand affecting a debenturable commodity should be such as to raise the world price to a satisfactory level, there is no provision in this bill for reducing debentures. Should the world price level of a commodity rise materially, there would still be an enhancement of the domestic price above the world level by the amount of the effective debenture. This would tend to give an abnormal stimulus to production.

In considering this or any similar plan, it is important to give careful consideration to both sides of the proposal lest the alluring prospects of an immediate increase in prices of the debenturable commodities should obscure the dangers that go with such a plan.

Sincerely yours,

ARTHUR M. HYDE, *Secretary.*

Memorandum from Department of Commerce

ANALYSIS OF THE EXPORT DEBENTURE SCHEME AS CONTAINED IN THE KETCHAM BILL, H. R. 12892

John D. Black (*The Annals*, Vol. CXLII, March, 1929, p. 381) makes the following statement as to the principles involved in the export debenture plan:

"The essential principle of the export debenture plan is the paying of a bounty on farm products in the form of negotiable instruments called debentures, which can be used by importers in paying import duties. The price of domestic farm products would be raised to the extent of the bounty; likewise prices to consumers. The revenues of the Government would be reduced by the amount of the export debentures issued. The maximum height of the export bounty is the import duty; otherwise a return flow of the product would set in."

In the Jones-Ketcham bill the rates which are designated are equivalent to one-half of the present import duties on the commodities named, while in the case of cotton and tobacco a rate of 2 cents a pound is specified. To make the debenture plan effective it would be necessary to put a tariff on cotton to prevent a back flow of the commodity.

STATISTICAL ANALYSIS SHOWING HOW THE PLAN WOULD WORK

The following statistical analysis is a rough estimate of the increase to producers and cost to public, based on estimates by the United States Department of Agriculture, of the quantity sold of each commodity:

Theoretical increased cost of products to public of specified commodities

Item	Quantity sold ¹		Deben- ture rate	Increased value
	Unit	Amount		
		Millions	Cents	Million dollars
Hogs.....	Pounds.....	12,500	1/4	31
Cattle.....	do.....	13,500	1/4	118
Corn.....	Bushels.....	500	7 1/2	37
Wheat.....	do.....	660	21	139
Rice.....	Pounds.....	1,109	1	11
Cotton.....	do.....	7,800	2	156
Tobacco.....	do.....	1,300	2	26
Total.....				518

¹ Average total quantity sold by farmers in the production years, 1925-26, 1926-27, 1927-28.

² Average of the rates for cattle weighing less than 1,050 pounds and cattle weighing 1,050 pounds or more.

Theoretical value of debentures based on three years' exports of specified articles

Product	Average exports 1925-26-27	Deben- ture rate	Value of debenture
		Cents	
Pork (1,000 pounds).....	1,100,000	3/4	\$4,070,000
Wheat (1,000 bushels).....	184,724	21	38,792,040
Corn (1,000 bushels).....	18,087	7 1/2	1,356,525
Rice (1,000 pounds).....	164,730	1	1,647,300
Cotton (1,000 pounds).....	4,657,601	2	93,152,020
Tobacco (1,000 pounds).....	492,137	2	9,842,740
Cattle (negligible).....			
Total.....			148,860,625

If the above estimate on cost to the public were calculated on the total crop produced instead of the portion going to market, the figures would be approximately 20 per cent higher, due mainly to the fact that only 15 per cent of the corn crop is marketed.

In making this calculation it is assumed that the export bonus would be fully effective in raising the price. The total cost to the public would be approximately \$518,000,000, of which \$369,000,000 would be increased cost on domestic consumption and \$149,000,000 public revenues spent on paying bonus.

The above calculation, of course, is only an estimate and does not represent actually what would happen. If there was an increase in production, and assuming that all the increase would be put on the export market, it would no doubt result in some depression of world price levels, and the theoretical gain would not be realized by the producers nor would the theoretical cost be the same to the consumers.

The bill provides that when increased acreage or production reaches 15 per cent the debenture plan then becomes inoperative and shall be withdrawn. The effect of this would be to leave the industry with an increased production and no protection. Evidently it is the thought of those who have prepared the bill that some means would be found of both raising the prices and controlling production.

It might be observed also that it would be much simpler to pay a straight export bounty. It would have the same effect and would cost the public exactly the same amount and be simpler in operation.

POSSIBILITY OF RETALIATION BY FOREIGN COUNTRIES UNDER ANTIDUMPING LAWS

It should be pointed out that practically all countries, with two or three exceptions, have antidumping laws. It is possible the debenture plan would be interpreted as an export bounty and export dumping, since products would be sold in foreign countries at lower prices than in this country.

USE OF EXPORT CERTIFICATES IN FOREIGN COUNTRIES

Foreign countries have used export certificates, especially Germany, Czechoslovakia, and Sweden. In none of these cases is the situation comparable to the proposed debenture plan. In the first place, the export certificates are given on grain, but are only usable for the reimportation of grain.

In both Sweden and Czechoslovakia the scheme apparently is to facilitate the export of certain grades and varieties of grain and imports of other varieties or grades without paying duty.

When the plan was first adopted in Germany the country as a whole was on an import basis when all grains were considered. However, northeast Germany had a surplus, especially of rye, but in shipping this to southwest Germany the railway freight and other charges made the prices in northeast Germany considerably lower than in western Germany. Originally the idea was to give northeast Germany world price plus the tariff without raising prices in western Germany, and in this way practically equalizing the price over the whole country. The export certificates issued in northeast Germany were used to pay import duties on grain into west Germany. However, when production was stimulated in northeast Germany and the number of certificates exceeded the imports, they provided for a time for using the certificate for paying on both coffee and petroleum. There was a protest against this, however, as it amounted to using potential public funds for paying a bounty. The new law enacted in 1925 limits the certificates to the payment of duty on grain.

There is also in effect in both Norway and France an export certificate scheme applying to wheat, due to the fact that both countries must import certain amounts of hard wheat for blending. They use an export certificate on the exportation of soft wheat which can be used in turn to pay tariff on the importation of hard wheat.

APRIL 20, 1929.

EXECUTIVE SESSION

Mr. McNARY. I move the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business. After 15 minutes spent in executive session the doors were reopened.

RECESS

Mr. WATSON. I move that the Senate take a recess until to-morrow at 12 o'clock.

The motion was agreed to; and the Senate (at 5 o'clock and 10 minutes p. m.) took a recess until to-morrow, Friday, May 3, 1929, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 2 (legislative day of April 29), 1929

ASSISTANT COMMISSIONER OF INDIAN AFFAIRS

J. Henry Scattergood, of Pennsylvania, to be Assistant Commissioner of Indian Affairs, vice Edgar B. Meritt, resigned.

MEMBER OF THE FEDERAL FARM LOAN BOARD

Horace Paul Bestor, of St. Louis, Mo., to be a member of the Federal Farm Loan Board, to serve out the unexpired term of eight years ending August 6, 1931, in place of Eugene Meyer, resigned.

COMMISSIONER OF THE GENERAL LAND OFFICE

Charles C. Moore, of Idaho, to be Commissioner of the General Land Office, vice William Spry, deceased.

COAST AND GEODETIC SURVEY

The following-named officers of the Coast and Geodetic Survey in the Department of Commerce to be aide (with rank of ensign in the Navy) by promotion from deck officer:

Robert August Earle, of Pennsylvania, vice H. J. Healy, promoted.

Harry Franklin Garber, of the District of Columbia, vice J. H. Brittain, promoted.

Karl Border Jeffers, of Ohio, vice W. J. Chovan, promoted.

John Francis Fay, of New Jersey, vice G. A. Nelson, promoted.

APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES

GENERAL OFFICER

To be brigadier general

Col. James Bartholomew Gowen, General Staff Corps (Infantry), from May 3, 1929, vice Brig. Gen. Michael J. Lenihan, to be retired from active service May 2, 1929.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY OF THE UNITED STATES

JUDGE ADVOCATE GENERAL'S DEPARTMENT

Capt. Charles William Moffett, Infantry (assigned to duty with Judge Advocate General's Department), with rank from March 11, 1929.

ORDNANCE DEPARTMENT

First Lieut. Charles Wingate Reed, Field Artillery (detailed in Ordnance Department), with rank from July 1, 1920.

PROMOTION IN THE REGULAR ARMY OF THE UNITED STATES

To be colonels

Lieut. Col. George Brydges Rodney, Cavalry, from April 25, 1929.

Lieut. Col. Alexander Higbee Davidson, Cavalry, from May 1, 1929.

Lieut. Col. Christian Albert Bach, Cavalry, from May 1, 1929.

To be lieutenant colonels

Maj. Philip John Radcliffe Kiehl, Ordnance Department, from April 25, 1929.

Maj. Adelno Gibson, Chemical Warfare Service, from May 1, 1929.

Maj. John Lee Holcombe, Coast Artillery Corps, from May 1, 1929.

To be majors

Capt. Thomas Abner Dobyns, jr., Cavalry, from April 25, 1929.

Capt. John Thomas Minton, Cavalry, from May 1, 1929.

Capt. Horace Lincoln Whittaker, Quartermaster Corps, from May 1, 1929.

To be captains

First Lieut. William Harold Collette, Infantry, from April 25, 1929.

First Lieut. Herbert Becker Laux, Infantry, from April 30, 1929.

First Lieut. Charles Stevenson Denny, Coast Artillery Corps, from May 1, 1929.

First Lieut. Thomas Reed Willson, Field Artillery, from May 1, 1929.

To be first lieutenants

Second Lieut. Francis Marion Day, Field Artillery, from April 25, 1929.

Second Lieut. William Herbert Schaefer, Infantry, from April 30, 1929.

Second Lieut. Clarence William Bennett, Cavalry, from May 1, 1929.

Second Lieut. Gordon Byrom Rogers, Cavalry, from May 1, 1929.

MEDICAL ADMINISTRATIVE CORPS

To be captain

First Lieut. Horace Joseph Caterer, Medical Administrative Corps, from April 30, 1929.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 2 (legislative day of April 29), 1929

MEMBER OF THE FEDERAL RADIO COMMISSION

William D. L. Starbuck.

Charles McK. Saltzman.

GOVERNOR OF HAWAII

Lawrence M. Judd.

UNITED STATES CIRCUIT JUDGE

Curtis D. Wilbur, ninth circuit.

UNITED STATES ATTORNEY

John M. Goldesberry, northern district of Oklahoma.

PUBLIC HEALTH SERVICE

Lunsford D. Fricks to be senior surgeon.

Raymond A. Vonderlehr to be passed assistant surgeon.

Charles P. Waite to be assistant surgeon.

Edwin G. Williams to be assistant surgeon.

POSTMASTERS

IOWA

Hugh S. Pierce, Hopkinton.

Harold B. Plumb, Waterloo.

OHIO

Plummer D. Folk, Leipsic.

PENNSYLVANIA

Joseph M. Baltz, Ardmore.

SENATE

FRIDAY, May 3, 1929

(Legislative day of Monday, April 29, 1929)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The PRESIDENT pro tempore. Senate bill No. 1 is before the Senate as in Committee of the Whole, and the pending question is on agreeing to the amendment proposed by the Senator from Indiana [Mr. WATSON].

Mr. JONES. Mr. President, I suggest the absence of a quorum. Mr. CARAWAY. Mr. President, will the Senator withhold the suggestion just a moment?

Mr. JONES. Very well.

The PRESIDENT pro tempore. Under the agreement upon which the recess was taken yesterday the Senator from New York [Mr. COPELAND] is entitled to the floor.

Mr. CARAWAY. Will the Senator from New York yield to me?

Mr. COPELAND. Mr. President, why have the roll called unless there is some matter of business requiring it? I am quite satisfied to dispense with it.

Mr. JONES. If the Senator thinks it is not necessary, I shall not press it.

Mr. COPELAND. I would not wish to interfere with the activities of Senators who are absent, and there is no particular reason on my part to ask that the roll be called.

Mr. WATSON. Mr. President, if the Senator from New York will yield—

Mr. COPELAND. Certainly.

Mr. WATSON. The chairman of the Committee on Agriculture and Forestry is not in the Chamber at the moment. There was a meeting of that committee this morning and I think the members have, perhaps, gone to their offices. I think we ought to have a quorum call that they may be notified.

Mr. CARAWAY. The chairman of the Committee on Agriculture and Forestry has just this moment entered the Chamber.